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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

PART 20—RETENTION PREFERENCE REGULATIONS FOR USE IN REDUCTIONS IN FORCE

PART 29—RETIREMENT

MISCELLANEOUS AMENDMENTS

1. Under authority of § 6.1 (a) of Executive Order 9830, and at the request of the Civil Aeronautics Board, the Commission has determined that the position of one Executive Assistant to the Chairman of the Board should be excepted from the competitive service. Effective upon publication in the *FEDERAL REGISTER*, § 6.4 (a) (34) is amended by the addition of a subdivision as follows:

§ 6.4 *Lists of positions excepted from the competitive service—(a) Schedule A. * * **

(34) *Civil Aeronautics Board. * * **

(ix) One Executive Assistant to the chairman of the Board.

(Sec. 6.1 (a) E. O. 9830, 12 F. R. 1259)

2. The first sentence in the second unnumbered paragraph of § 20.13 is amended to read as follows: "The Commission will consider the correctness of an efficiency rating which is made the basis of a reduction-in-force appeal only in the cases of preference eligibles, and then only where the alleged incorrect rating is less than "good" and is not appealable to a board of review established under the provisions of section 9 of the Classification Act of 1923, as amended; *Provided*, That the employee has exhausted the administrative remedies available to him or has presented justifiable reasons for not having pursued such remedies."

3. The following unnumbered paragraph is added at the end of § 20.13, to be effective on and after publication in the *FEDERAL REGISTER*, as to employees adversely affected who appeal under the regulations in this part within a reasonable time whether or not they are still on the rolls of the agency.

§ 20.13 *Appeals. * * **

The Commission will consider on an individual case basis appeals from employees who have been unjustly separated, furloughed, or reduced in rank or compensation solely because a superior retention standing had been acquired by another competing employee on the basis of veteran preference as a Temporary Coast Guard Reservist during the period from November 19, 1946 to March 8, 1948, and who have attempted but failed in their effort to prevail upon their agency to take appropriate corrective action in the light of the decision of the Supreme Court of the United States which held that United States Coast Guard Reservists (Temporary) who did not perform military service on full-time active duty with military pay and allowance are not entitled to veteran preference under the provisions of the Veterans' Preference Act of 1944, as amended.

(Sec. 12, 58 Stat. 390; 5 U. S. C. Sup. 861)

4. Paragraph (c) of § 29.14 is amended and a new paragraph (d) added as follows:

§ 29.14 *Purchase of additional annuity. * * **

(c) If the employee elects a life annuity at retirement, each \$100 credited to his voluntary contribution account, including interest, will purchase additional annuity at the rate of \$7 per annum, plus 20 cents for each full year, if any, he is over age 55 at date of retirement.

(d) If he elects to purchase a joint and survivorship annuity, each \$100 credited to his voluntary contribution account, including interest, will purchase additional annuity at the rate of \$7 per annum, plus 20 cents for each full year, if any, he is over age 55 at date of retirement, multiplied by the following percentages: 90% of such amount if the survivor annuitant is the same age or older than the annuitant, or is less than five years younger than the annuitant; 85% if the survivor annuitant is five but less than ten years younger; 80% if the survivor annuitant is ten but less than fifteen years younger; 75% if the survivor annuitant is fifteen but less than twenty years younger; 70% if the survivor annuitant is twenty but less than twenty-five years younger; and 60% if

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the survivor annuitant is twenty-five or more years younger.

(Sec. 17, 46 Stat. 478; 5 U. S. C. 709)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] H. B. MITCHELL,
President.

[P. R. Doc. 43-6304; Filed, July 28, 1948; 8:48 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration, Department of Agriculture

[Farm Credit Administration Order 483]

PART 3—FUNCTIONS OF ADMINISTRATIVE OFFICERS

FUNCTIONS, POWERS, AUTHORITY, AND DUTIES OF THE COOPERATIVE BANK COMMISSIONER, ACTING COOPERATIVE BANK COMMISSIONER, DEPUTY COOPERATIVE BANK COMMISSIONER, AND ASSISTANT DEPUTY COOPERATIVE BANK COMMISSIONERS

Section 3.20 of Title 6, Code of Federal Regulations, is hereby amended to read as follows:

§ 3.20 *Functions, powers, authority, and duties of the Cooperative Bank Commissioner Acting Cooperative Bank Commissioner, Deputy Cooperative Bank Commissioner and assistant deputy cooperative bank commissioners.* The Cooperative Bank Commissioner shall, subject to the jurisdiction and control of the Governor of the Farm Credit Administration, execute and perform all functions, powers, authority, and duties pertaining to the administration of the provisions of law relative to the Central Bank for Cooperatives and the district banks for cooperatives.

R. L. Farrington, Deputy Governor, is hereby also authorized and empowered to execute and perform any and all functions, powers, authority, and duties which the Cooperative Bank Commissioner is authorized and empowered to execute or perform in the event the Cooperative Bank Commissioner is absent, unable to serve for any reason, or during the period that the position of Cooperative Bank Commissioner is vacant. In carrying out such functions, powers, authority, and duties, R. L. Farrington shall serve as Acting Cooperative Bank Commissioner.

B. F. Viehmann, Deputy Cooperative Bank Commissioner, is hereby authorized and empowered to execute and perform the functions, powers, authority, and duties which the Acting Cooperative Bank Commissioner is authorized and empowered to execute or perform with respect to the Central Bank for Cooperatives in the event the Acting Cooperative Bank Commissioner is absent or unable to serve for any reason, and with respect to the district banks for cooperatives in the event the Acting Cooperative Bank Commissioner and Assistant Deputy Cooperative Bank Commissioner McConnell are absent or unable to serve for any reason.

S. Y. McConnell, Assistant Deputy Cooperative Bank Commissioner, is hereby authorized to execute and perform the functions, powers, authority, and duties which the Acting Cooperative Bank Commissioner is authorized and empowered to execute or perform with respect to the district banks for cooperatives in the event the Acting Cooperative Bank Commissioner is absent or unable to serve for any reason, and with respect to the Central Bank for Cooperatives in the event the Acting Cooperative Bank Commissioner, Deputy Cooperative Bank Commissioner Viehmann, and Assistant Deputy Cooperative Bank Commissioner Frazee are absent or unable to serve for any reason.

W. C. Frazee, Assistant Deputy Cooperative Bank Commissioner, is hereby authorized to execute and perform the functions, powers, authority, and duties of the Acting Cooperative Bank Commissioner with respect to the Central Bank for Cooperatives in the event the Acting Cooperative Bank Commissioner and Deputy Cooperative Bank Commissioner Viehmann are absent or unable to serve for any reason, and with respect to the district banks for cooperatives in the event the Acting Cooperative Bank Commissioner, Assistant Deputy Cooperative Bank Commissioner McConnell, and Deputy Cooperative Bank Commissioner Viehmann are absent or unable to serve for any reason.

(E. O. 6084, Mar. 27, 1933, 6 CFR 1.1 (m) sec. 80 (b) 48 Stat. 273; 12 U. S. C. 638 (b), Memorandum No. 846, Sec. of Agric., Jan. 6, 1940)

[SEAL]

I. W. DUGGAN,
Governor

JULY 26, 1948.

[F. R. Doc. 48-6830; Filed, July 28, 1948; 8:52 a. m.]

Chapter II—Production and Marketing Administration (Commodity Credit)

[1948 C. C. C. Cotton Form 1]

PART 256—COTTON LOANS

1948 COTTON LOAN INSTRUCTIONS

Pursuant to the 1948 Cotton Loan Program of Commodity Credit Corporation (hereinafter referred to as CCC) loans on eligible upland cotton will be made available to eligible producers. Such loans may be obtained either directly from CCC or from approved lending agencies. These instructions state the requirements with reference to such loans.

Sec.	Definitions.
256.221	Definitions.
256.222	Forms.
256.223	Availability of loans.
256.224	Amount.
256.225	Interest.
256.226	Maturity.
256.227	Preparation of documents.
256.228	Liens.
256.229	Lending agency.
256.230	Classification of cotton.
256.231	Approved warehouses.
256.232	Warehouse receipts and insurance.
256.233	Warehouse charges.
256.234	Direct loans.
256.235	Time and manner of tendering loans.
256.236	Custodial offices.
256.237	Repayments.
256.238	Cotton Cooperative Association loans.

AUTHORITY: §§ 256.221 to 256.238, inclusive, issued under sec. 302, 52 Stat. 43, as amended, sec. 8, 56 Stat. 767, as amended, sec. 4 (a), 55 Stat. 498, as amended, sec. 2, 4 (1), and 5 (a), Pub. Law 806, 80th Cong., 7 U. S. C. 1302, 50 U. S. C. App. 968; 15 U. S. C. 713a-8 (a).

§ 256.221 *Definitions.* As used in §§ 256.221 to 256.238, inclusive, unless the context otherwise requires, the following terms will be construed respectively to mean:

(a) *Eligible producer.* An eligible producer shall be any person (individual, partnership, firm, corporation, association, joint-stock company, trust, estate, or other legal entity, or a State or political subdivision thereof, or an agency of such State or political subdivision) producing cotton in 1948 in the capacity of landowner, landlord, tenant, or sharecropper. Except as provided below, two or more producers may not obtain a joint loan: If the eligible cotton produced on a farm has been divided among the producers entitled to share in such cotton, each landlord, tenant, and sharecropper may obtain a loan on his separate share. If the cotton has not been divided, the landlord and one or more of the share tenants or sharecroppers may obtain a joint loan on their shares of such cotton. In no case shall a share tenant or sharecropper obtain a loan individually on cotton in which a landlord has an interest. In any case where a landlord obtains a loan on cotton in which a share tenant or sharecropper has an interest, he must have the legal right to do so, and the share tenant or sharecropper must be paid his pro rata share of the proceeds.

(b) *Eligible cotton.* Eligible cotton shall be cotton produced in the United States in 1948 which meets the following requirements:

(1) Such cotton must be of a grade and staple length specified in the Table of Premiums and Discounts at the end of §§ 256.221 to 256.238, inclusive.

(2) Such cotton must be represented by warehouse receipts complying with the provisions of § 256.232.

(3) Such cotton must not be false-packed, water-packed, reginned, or re-packed, and must not have been classed as gin cut, oily, sandy, dusty, or seedy, or reduced in grade because of extraneous matter (such as needle grass)

(4) Such cotton must not be compressed to high density.

(5) Such cotton must be free and clear of all liens and encumbrances, except those in favor of the Warehouse in which the cotton is stored, as specified in the Warehouseman's Certificate and Storage Agreement in the 1948 Cotton Producers' Note and Loan Agreement (1948 C. C. C. Cotton Form A) (hereinafter referred to as Form A)

(6) Such cotton must have been produced by the person tendering it for a loan, and such person must have the legal right to pledge it as security for a loan.

(7) If the person tendering such cotton for a loan is a landlord or landowner, the cotton must not have been acquired by him directly or indirectly from a share tenant or sharecropper and must not have been received in payment of fixed or standing rent; and if it was produced by him in the capacity of landlord, share tenant, or sharecropper, it must be his separate share of the crop, unless he is a landlord and is tendering cotton in which both he and a share tenant or a sharecropper have an interest.

(8) The person tendering such cotton for a loan must not have previously executed and delivered, with respect to such cotton, a Form A or 1948 C. C. C. Cotton Form G-2 and must not have previously sold and repurchased such cotton.

(9) Each bale of such cotton must weigh at least 300 pounds.

(c) *Approved lending agency.* An approved lending agency shall be any bank, corporation, partnership, association, or person, with which CCC has entered into a Cotton Lending Agency Agreement (C. C. C. Cotton Form DW) in the States of California and Arizona, or a Lending Agency Agreement (C. C. C. Cotton Form D) in any other State, covering loans on 1948-crop cotton. Organizations desiring to enter into such agreements should communicate with the New Orleans Office, Commodity Credit Corporation, Production and Marketing Administration, Masonic Temple Building, New Orleans 12, Louisiana (hereinafter referred to as the New Orleans Office)

§ 256.222 *Forms.* The following documents must be delivered by producers in connection with every loan except loans made pursuant to § 256.238.

(a) Form A duly executed within the period prescribed in § 256.223. State documentary revenue stamps should be

affixed thereto where required by law. (A Form A executed by an administrator, executor, or trustee will be acceptable only where valid in law and must be submitted for a direct loan in accordance with § 256.234 unless accompanied by a repurchase agreement of the lending agency. Copies of this agreement may be obtained from the New Orleans Office.)

(b) Warehouse receipts complying with the provisions of § 256.232.

(c) Producer's Letter of Transmittal (C. C. C. Cotton Form B) (hereinafter referred to as Form B) if the loan is obtained direct from CCC pursuant to § 256.234.

§ 256.223 *Availability of loans.* Loans shall be available from the date the loan rates, by warehouses, are announced (shortly after August 1, 1948) through April 30, 1949.

§ 256.224 *Amount.* Loans will be made only on those grades and staple lengths shown in the Table of Premiums and Discounts at the end of §§ 256.221 to 256.238, inclusive, and will be made on the gross weight of the cotton. An allowance of 7 pounds per bale will be made for bales covered with cotton bagging. The base loan rate applicable at each approved warehouse will be shown in the Schedule of Base Loan Rates by Cities and Counties for Cotton Entering the 1948 Loan in the Instructions to Warehousemen. This schedule will be issued by Commodity Credit Corporation and will be available at the office of the county agricultural conservation association committee (hereinafter called county committee) in the cotton-producing area. Loans on cotton will be made at the base loan rates shown in the schedule, adjusted by the appropriate premium or discount for the grade and staple length of the cotton, as shown in the table at the end of §§ 256.221 to 256.238, inclusive.

§ 256.225 *Interest.* Loans shall bear interest at the rate of 3 percent per annum from the date of disbursement.

§ 256.226 *Maturity.* Loans mature July 31, 1949, or on demand by CCC. If the producer does not repay his loan by maturity, CCC shall have the right to sell or pool the cotton in satisfaction of the loan in accordance with the provisions of the loan agreements. If the cotton is pooled, the producer has no right to redeem the cotton but shall share rateably in any overplus remaining upon liquidation of the pool. CCC shall have the right to treat any pooled cotton as a reserve supply to be marketed under such sales policies as CCC determines will promote orderly marketing, protect the interests of producers and consumers, and not unduly impair the market for the current crop of cotton, even though part or all of such pooled cotton is disposed of under such policies for prices less than the current domestic price for such cotton. Any sum due the producer as a result of the sale of the cotton or of insurance proceeds thereon, or any payments from a pool, shall be payable only to the producer or his personal representative without right of assignment to or substitution of any other person.

§ 256.227 *Preparation of documents.* A producer desiring to obtain a loan may obtain the necessary forms from approved lending agencies and cotton warehouses and also from persons approved as clerks by the county committees in the cotton-producing areas to assist producers in preparing and executing the loan forms. The clerk's certificate must be executed on each Form A tendered for a loan. Only persons approved by county committees for such purpose may execute the clerk's certificate. Such persons are permitted to collect a fee from producers not to exceed the fees shown in the following schedule:

Number of bales on the note: <i>Maximum fee allowed</i>	
1-6-----	30 cents.
7-9-----	40 cents.
10-19-----	40 cents plus 3 cents for each bale over 9.
20 and over..	70 cents plus 2 cents for each bale over 19.

All blanks on Form A and Form B must be filled in with ink, indelible pencil, or typewriter in the manner indicated therein, and no documents containing additions, alterations, or erasures will be accepted by CCC. The original of Form A must be signed by the producer, and the copy marked "duplicate" is to be retained by the producer and must be used when the loan is repaid or his equity sold. The schedule of pledged cotton must represent cotton of only one grade and staple length and all cotton pledged as security for any one loan must be in the same warehouse.

§ 256.228 *Liens.* Eligible cotton must be free and clear of all liens, except liens in favor of the warehouse in which the cotton is stored, as specified in the Warehouseman's Certificate and Storage Agreement in Form A. The names of the holders of all existing liens on cotton tendered as security for a loan, such as landlords, laborers, or mortgagees (but not the warehouseman) must be listed in the List of Lienholders on each Form A and the lienholders so listed must execute the Lienholders' Waiver on such forms. A Form A will not be acceptable unless all prior lienholders are listed in the List of Lienholders and have executed the Lienholders' Waiver. If the producer tendering the cotton for the loan is not the owner of the land on which the cotton was produced, all landowners and landlords must be listed in the List of Lienholders on the Form A and must sign the Lienholders' Waiver on such form, whether or not they claim liens, unless they sign the note jointly with the borrower. A fraudulent representation, as to prior liens or otherwise, will render the producer personally liable under the terms of the Loan Agreement and subject him to criminal prosecution under the Criminal Code of the United States. The Lienholders' Waiver must be signed personally by all lienholders listed, by their agents (in which case duly executed powers of attorney must be attached) or, if a corporation, by the designated officer thereof customarily authorized to execute such instruments (in which case no authority need be attached)

§ 256.229 *Lending agency.* The lending agency shall execute the Payee's Certificate and Endorsement on Form A. Care should be exercised by the lending agency to determine that the warehouse receipts are genuine. No provision is made for any deduction from the loan proceeds by the lending agency as a charge for handling the loan documents, except the authorized clerk's fee in case an employee of the lending agency has executed the Clerk's Certificate on Form A. Lending agencies may carry their investment in the loans and receive interest at the rate of 1½ percent per annum.

§ 256.230 *Classification of cotton.* All cotton must be classified by a Board of Cotton Examiners of the United States Department of Agriculture. Warehousemen should forward samples to the Board of Cotton Examiners serving the district in which the warehouse is located, and a list showing the class of the cotton will be returned by the board. Instructions have been issued to approved warehouses concerning sampling and forwarding of samples and recording the class of the cotton in the loan agreements. A Form 1 Classification Memorandum of the United States Department of Agriculture will also be accepted as evidence of the class of cotton: *Provided*, That sample is a representative cut sample drawn in accordance with instructions to organized groups for sampling cotton under the 1948 Smith-Doxey Program.

A charge of 20 cents per bale shall be collected from the producer for all cotton from which samples are submitted to a Board of Cotton Examiners for classification, except that no charge shall be collected for samples submitted for Form 1 classification. Each Board of Cotton Examiners will make collections for classing charges from the warehousemen at the end of each month. A certified check, cashier's check, or postal money order payable to Treasurer of United States in care of CCC must be sent to the Board of Cotton Examiners by each warehouseman in payment of these charges.

§ 256.231 *Approved warehouses.* Warehouse receipts representing eligible cotton will be accepted as security for loans made pursuant to Form A only if issued by warehousemen approved by CCC. Warehousemen desiring to be approved should communicate with the New Orleans Office. When warehouses are approved, notification will be given either by letter or published lists.

The warehouseman is required, as provided in the Warehouseman's Certificate and Storage Agreement in Form A, to draw representative samples from the bales and to deliver or forward such samples to a board of cotton examiners for classing, except where Form 1 Classification Memorandum of the United States Department of Agriculture is used.

§ 256.232 *Warehouse receipts and insurance.* Only negotiable warehouse receipts issued by an approved warehouse and showing that the cotton is covered by fire insurance, dated on or prior to the date of the producer's note, and properly-

assigned by an endorsement in blank so as to vest title in the holder or issued to bearer will be acceptable. They must set out in their written or printed terms a description by tag number and weight of the bale represented thereby and all other facts and statements required to be stated in the written or printed terms of a warehouse receipt under the provisions of section 2 of the Uniform Warehouse Receipts Act. Warehouse receipts issued prior to August 1, 1948, which by their terms will expire prior to August 1, 1949, must bear an endorsement of the warehouse extending the terms of the warehouse receipt for a period of 1 year from August 1, 1948. Block warehouse receipts will not be accepted.

In addition to the insurance carried by the warehouseman, CCC will carry insurance on the loan cotton covering losses due to flood and errors and omissions in the warehouseman's insurance. The cost of such insurance will be a charge against the cotton.

§ 256.233 Warehouse charges. The warehouseman's charges are limited and his obligations defined by the Warehouseman's Certificate and Storage Agreement contained in Form A. This should be read carefully and must be executed by the warehouseman issuing the cotton warehouse receipts pledged as collateral to the producer's note. It must not be executed more than 10 days preceding the date of the note.

§ 256.234 Direct loans. It is contemplated that producers will ordinarily obtain loans from a local bank or other lending agency which, in turn, may sell the paper evidencing such loans to CCC. Arrangements, however, have been made for making direct loans to producers prior to May 1, 1949. In each such case the note must be made payable to CCC and must be tendered to the New Orleans Office, on a Form B, in duplicate, postmarked not later than April 30, 1949, if tendered by mail. Upon receipt of all necessary documents, properly executed, and upon approval, payment will be made in accordance with the directions of the producer contained in the Form A, which permits the producer, if he so desires, to designate persons other than himself to receive all or part of the proceeds of the loan.

§ 256.235 Time and manner of tendering loans—(a) In all States other than California and Arizona. Notes (Forms A) evidencing loans made by a lending agency which has entered into a Lending Agency Agreement (C. C. C. Cotton Form D) with CCC prior to making of the loans will be eligible for purchase or pooling by CCC. Under the terms of this agreement, lending agencies which are parties thereto are required to tender to CCC on Lending Agency's Letter of Transmittal (C. C. C. Cotton Form C) (hereinafter referred to as Form C) executed in triplicate, all notes on Form A, with warehouse receipts attached, representing loans made by the lending agency within 15 days after the dates of the notes. Forty notes shall be submitted on each Form C except when fewer notes are listed thereon in order that the loans may be tendered within 15 days after the dates

of the notes. Only notes covering cotton stored in warehouses in the same custodial district may be transmitted on a Form C. Each Form C shall state whether the lending agency desires CCC to purchase the notes or to place them in a pool operated by CCC. Upon receipt by the New Orleans Office, the loan papers will be examined and, if found correct, will be approved, transmitted to the custodial office serving the district in which the cotton is stored, and purchased or placed in a pool, as directed by the lending agency. In the event that the notes are pooled, a certificate of interest representing the interest in the pool acquired as the result of the deposit therein of the notes will be issued to any approved lending agency designated on the Form C.

(b) In California and Arizona. Notes (Forms A) evidencing loans made by a lending agency which has entered into a Cotton Lending Agency Agreement (C. C. C. Cotton Form DW) with CCC prior to the making of the loan will be eligible for purchase by CCC. Under the terms of this agreement, lending agencies which are parties thereto will retain the notes and collateral warehouse receipts until (1) the loans are repaid, (2) the lending agencies voluntarily tender the documents to CCC for purchase, or (3) the documents are tendered for purchase upon maturity of the notes (unless otherwise specified by CCC) or upon request by CCC. Loan documents shall be tendered to CCC by lending agencies on Schedule of Notes Released or Submitted for Purchase (C. C. C. Cotton Form W-3). Upon receipt by the New Orleans Office, the loan agreements will be examined and if found acceptable will be purchased.

§ 256.236 Custodial offices. The custodial offices referred to herein and the district served by each are shown below:

Location and District Served

Federal Reserve Bank, Atlanta, Ga.. Georgia, Alabama, Florida, Virginia, North Carolina, South Carolina.

Federal Reserve Bank, Dallas, Tex.. Texas, New Mexico.

Federal Reserve Bank, Memphis, Tenn.. Illinois, Arkansas, Missouri, Tennessee, and the following counties in Mississippi: Alcorn, Attala, Benton, Bolivar, Calhoun, Carroll, Chickasaw, Choctaw, Clay, Coahoma, De Soto, Grenada, Holmes, Humphreys, Itawamba, Lafayette, Lee, Leflore, Lowndes, Marshall, Monroe, Montgomery, Noxubee, Oktibbeha, Panola, Pontotoc, Prentiss, Quitman, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Tunica, Union, Washington, Webster, Winston, Yazoo.

New Orleans Office (CCC) Louisiana and counties in Mississippi not assigned to Memphis.

Federal Reserve Bank, Oklahoma City, Okla.. Oklahoma.

The lending agency which made the loan, or if purchased by CCC, the New Orleans Office: California and Arizona.

§ 256.237 Repayments. No partial releases of the cotton securing a note will be permitted. A producer may redeem the cotton securing a note or sell his equity in such cotton in the following manner:

(a) In all States other than California and Arizona. If the producer desires to

obtain the return of the note and the release of the collateral, he must execute the Producer's Redemption Request on his duplicate copy of the Form A or on a Cotton Producer's Redemption Request and Equity Transfer (C. C. C. Cotton Form AA) (hereinafter referred to as Form AA) and send or deliver it to CCC, in care of the custodial office serving the district in which the cotton is stored, as shown in § 256.236. If the producer desires to sell his equity in the loan cotton, he must complete the Producer's Equity Transfer Agreement in the Producer's Equity Transfer on his duplicate copy of the Form A or Form AA, and the Certificate of Witness in the Producer's Equity Transfer must in all cases be dated and signed by a witness approved for such purpose by a county committee in the cotton-producing area. The equity purchaser must complete the Certificate of Purchaser in the Producer's Equity Transfer and send it to CCC, in care of the custodial office serving the district in which the cotton is stored. Upon receipt of the Producer's Redemption Request or the Producer's Equity Transfer, the note and warehouse receipts will be forwarded by the custodial office to any approved bank designated by the person requesting their release, with directions to the bank to release the note and warehouse receipts only to the producer or holder of the equity transfer upon payment of the amount due on the loan. In all such cases, the bank will be instructed to return the note and warehouse receipts to the custodial office if payment is not effected within 15 days. All charges and expenses of the bank to which the note and warehouse receipts are sent should be paid by the person requesting the release of the cotton. In the event the producer's duplicate copy of the Form A is destroyed or lost, the producer may obtain a Form AA from the custodial office serving the district in which the cotton is stored.

(b) In California and Arizona. If the producer desires to obtain the return of the note and the release of the collateral, he must execute the Producer's Redemption Request on his duplicate copy of the Form A or on Form AA and send or deliver it to the lending agency which made the loan. If the producer desires to sell his equity in the loan cotton, he must complete the Producer's Equity Transfer Agreement in the Producer's Equity Transfer on his duplicate copy of the Form A or Form AA and the Certificate of Witness in the Producer's Equity Transfer must in all cases be dated and signed by a witness approved for such purpose by a county committee in the cotton-producing area. The equity purchaser must complete the Certificate of Purchaser in the Producer's Equity Transfer and send it to the lending agency which made the loan. Upon receipt of the Producer's Redemption Request or the Producer's Equity Transfer and payment of the amount due on the loan, the lending agency shall release the note and warehouse receipts only to the producer or holder of the equity transfer. If the note has been purchased by CCC, the Form A or Form AA will be forwarded by the lending

agency to the New Orleans Office, which will forward the note and warehouse receipts to any approved bank designated by the person requesting their release, with directions to the bank to release the note and warehouse receipts only to the producer or holder of the equity transfer upon payment of the amount due on the loan. In all such cases the bank will be instructed to return the note and warehouse receipts to the New Orleans Office if payment is not effected within 15 days. All charges and expenses of

the bank to which the note and warehouse receipts are sent should be paid by the person requesting the release of the cotton. In the event the producer's duplicate copy of the Form A is destroyed or lost, the producer may obtain a Form AA from the lending agency which made the loan.

§ 256.238 *Cotton Cooperative Association loans.* A special form of loan agreement will be made available to cotton cooperative marketing associations where-

by members of such associations may act collectively in obtaining loans. The loan rates under this agreement will be the same as the loan rates to individual producers, and loans to such associations will otherwise be made on substantially the same basis as loans to individual producers.

Dated this 23d day of July 1948.

[SEAL]

HAROLD K. HILL,

Acting Manager

Commodity Credit Corporation.

PREMIUMS AND DISCOUNTS FOR ALL QUALITIES OF 1948 AMERICAN UPLAND COTTON

[Basis 1½/-inch Middling]

Grade	Staple length (inches)													
	1½/0	7/8	29/32	15/16	31/32	1	1 1/4	1 1/8	1 1/2	1 1/4	1 1/2	1 1/8	1 1/2	1 1/4 and Longer
White and Extra White														
Good Middling and Better	Pts. -280	Pts. -145	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140	Pts. -140
Strict Middling	-290	-160	-155	-155	-155	-155	-155	-155	-155	-155	-155	-155	-155	-155
Middling	-325	-185	-180	-180	-180	-180	-180	-180	-180	-180	-180	-180	-180	-180
Strict Low Middling	-460	-340	-330	-330	-330	-330	-330	-330	-330	-330	-330	-330	-330	-330
Low Middling	-505	-385	-375	-375	-375	-375	-375	-375	-375	-375	-375	-375	-375	-375
Strict Good Ordinary	-1,245	-1,165	-1,160	-1,160	-1,160	-1,160	-1,160	-1,160	-1,160	-1,160	-1,160	-1,160	-1,160	-1,160
Good Ordinary	-1,465	-1,325	-1,320	-1,320	-1,320	-1,320	-1,320	-1,320	-1,320	-1,320	-1,320	-1,320	-1,320	-1,320
Spotted														
Good Middling	-410	-255	-160	-75	-60	-45	-30	-10	45	60	100	200	335	425
Strict Middling	-420	-275	-160	-60	-60	-60	-60	-60	45	60	100	200	335	425
Middling	-650	-470	-380	-235	-230	-210	-210	-210	-210	-210	-210	-210	-210	-210
Strict Low Middling	-1,010	-820	-765	-605	-600	-585	-585	-585	-585	-585	-585	-585	-585	-585
Low Middling	-1,410	-1,235	-1,170	-1,030	-1,075	-1,070	-1,070	-1,070	-1,070	-1,070	-1,070	-1,070	-1,070	-1,070
Tinged														
Good Middling	-685	-785	-760	-625	-620	-610	-610	-610	-610	-610	-610	-610	-610	-610
Strict Middling	-1,020	-835	-745	-670	-635	-620	-620	-620	-620	-620	-620	-620	-620	-620
Middling	-1,220	-1,080	-935	-760	-680	-630	-630	-630	-630	-630	-630	-630	-630	-630
Strict Low Middling	-1,520	-1,330	-1,225	-1,150	-1,145	-1,140	-1,140	-1,140	-1,140	-1,140	-1,140	-1,140	-1,140	-1,140
Low Middling	-1,725	-1,640	-1,445	-1,370	-1,355	-1,350	-1,350	-1,350	-1,350	-1,350	-1,350	-1,350	-1,350	-1,350
Yellow Stained														
Good Middling	-1,500	-1,110	-1,050	-865	-830	-825	-820	-820	-820	-820	-820	-820	-820	-820
Strict Middling	-1,325	-1,145	-1,090	-870	-835	-830	-830	-830	-830	-830	-830	-830	-830	-830
Middling	-1,470	-1,270	-1,175	-1,105	-1,100	-1,095	-1,095	-1,095	-1,095	-1,095	-1,095	-1,095	-1,095	-1,095
Gray														
Good Middling	-625	-370	-360	-220	-210	-200	-180	-160	-90	35	165	160	210	235
Strict Middling	-570	-410	-340	-265	-230	-225	-220	-220	-130	-5	45	120	170	215
Middling	-665	-495	-420	-345	-335	-325	-310	-295	-225	-225	-225	-225	-225	-225

[F. R. Doc. 48-6831; Filed, July 28, 1948; 8:52 a. m.]

Chapter III—Farmers Home Administration, Department of Agriculture

Subchapter J—Miscellaneous Farm Assistance

PART 391—WATER FACILITIES LOANS

STATE DIRECTOR'S AUTHORITY TO APPROVE WATER FACILITIES LOANS

Paragraph (a) (3) of § 391.1 of Title 6, Code of Federal Regulations (6 CFR, 1947 Supp., 391.1) is amended to read as follows:

§ 391.1 *Loan approval authority.*

(a) *Authorization to State Directors.*

(3) State Directors are authorized to approve Water Facilities loans subject to applicable loan making policies and to the following limitations:

(i) No Water Facilities loan, initial or subsequent, will be approved which will result in a total outstanding Water Facilities indebtedness of any one individual in excess of \$5,000.

(ii) No Water Facilities loan, initial or subsequent, will be approved which will result in a total outstanding Water Facilities indebtedness of any one incorporated mutual water company, water association, or irrigation district, in excess of \$20,000.

(iii) The aggregate of loans made to all individuals in connection with any one water facilities group service will not exceed \$20,000.

(50 Stat. 869, 54 Stat. 1124; 16 U. S. C. 590r-x, 590z-5; Order, Secretary of Agriculture, Oct. 14, 1946, 11 F. R. 12520, 7 CFR, 1946 Supp.)

Dated: July 15, 1948.

[SEAL] DILLARD B. LASSETER,
Administrator,
Farmers Home Administration.

Approved: July 23, 1948.

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 48-6801; Filed, July 23, 1948; 8:40 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders)

PART 901—HANDLING OF WALNUTS GROWN IN CALIFORNIA, OREGON, AND WASHINGTON

ORDER TERMINATING MARKETING AGREEMENT AND ORDER AND PROVIDING FOR LIQUIDATION OF ASSETS

Pursuant to the applicable provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C., 601 et seq.) hereinafter referred to as the "act" and of the marketing agreement and order, as amended (7 CFR 901.1 et seq., 7 CFR, Cum. Supp., 901.4, 901.17, 901.19; 12 F. R. 5033), regulating the handling of walnuts grown in California, Oregon, and Washington, hereinafter referred to as the "marketing agreement and order", it is hereby found and deter-

mined that the provisions of said marketing agreement and order will, on and after 11:59 p. m., P. s. t., July 31, 1948, no longer tend to effectuate the declared policy of the act.

It is therefore ordered that the provisions of said marketing agreement and order be, and they are hereby terminated effective at 11:59 p. m., P. s. t., July 31, 1948.

It is provided in section 3 of Article XVI of the aforementioned marketing agreement and in § 901.18 of the aforementioned marketing order that:

§ 901.18 *Proceedings after termination.* (a) Upon the termination of this part, the members of the Control Board then functioning shall continue as joint trustees, for the purpose of this part, of all funds and property then in the possession or under the control of the Board, including claims for any funds unpaid or property not delivered at the time of such termination. Said trustees shall continue in such capacity until discharged by the Secretary, shall from time to time account for all receipts and disbursements and/or deliver all funds and property on hand, together with all books and records of the Control Board and the joint trustees, to such person as the Secretary shall direct, and shall, upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all of the funds and/or claims vested in the Control Board or the joint trustees pursuant to this part. Any funds collected for expenses pursuant to § 901.9 (Article VIII of the agreement) and held by such joint trustees or such person, over and above amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the joint trustees or such other person in the performance of their duties hereunder, shall as soon as practicable after the termination of this part be returned to the packers pro rata in proportion to their contributions made thereto pursuant to this part. Each and every order, determination, decision or other act of such joint trustees shall be by a two-thirds (2/3) vote thereof.

(b) Any person to whom funds, property and/or claims have been delivered by the Control Board or its members upon direction of the Secretary as herein provided shall be subject to the same obligations and duties with respect to said funds, property and/or claims as are hereinabove imposed upon the members of the Board or upon said joint trustees.

Pursuant to the quoted provisions of the marketing agreement and order, *It is hereby ordered*, That the liquidation action in this instance shall be handled by the Walnut Control Board as constituted at the effective time of the termination of said marketing agreement and order, and in accordance with the terms and conditions set forth therein for application to liquidation action conducted by such Board members as joint trustees. To implement such terms and conditions set forth in the indicated quoted provisions, *It is hereby further ordered as follows*:

(1) The several trustees shall serve without compensation but they shall be allowed their necessary expenses.

(2) The trustees shall keep books, and other appropriate records of their operations, which shall reflect clearly all of their acts and transactions as trustees, which books and other records shall be subject, at any time, to examination by the Secretary or his designated representative. The trustees shall cause the books and other records of the Walnut Control Board in connection with its operations under the aforementioned marketing agreement and order, and their own books and other records as trustees hereunder, to be audited by one or more competent accountants as of the close of the liquidation period, as provided for herein, and shall submit promptly to the Secretary at least two copies of each of such audit reports.

(3) Any furniture, fixtures, or other personal property shall be sold by the trustees for such prices and under such conditions as may be approved in writing by the Director of the Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington, D. C., and any funds derived from such sales shall become a part of the liquid assets for distribution to packers after all outstanding obligations are paid.

(4) Upon completion of the liquidation of the affairs under the aforementioned marketing agreement and order the books and other records (together with the file cabinets or other containers thereof) of both the Walnut Control Board and the trustees shall be delivered to, and retained by, the administrative agency for the successor marketing agreement and order (Marketing Agreement No. 105 and Marketing Order No. 84) regulating the handling of walnuts grown in California, Oregon, and Washington.

(5) This liquidation action shall be completed, and a final report of the trustees in connection therewith shall be submitted to the Secretary, on or before November 30, 1948.

With respect to violations, rights accrued, or liabilities incurred under the marketing agreement and order being terminated prior to the effective time of such termination action, all provisions of said marketing agreement and order in effect prior to the effective time of such termination action shall be deemed to continue in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with regard to any such violation, right, or liability.

It is hereby found and determined that it is necessary, in the public interest, to make this order effective not later than 11:59 p. m., P. s. t., July 31, 1948 since the marketing agreement and order being terminated will be superseded, effective at 12:01 a. m., P. s. t., August 1, 1948, by a new marketing agreement and order on walnuts containing new and different provisions. In these circumstances, it is impracticable, unnecessary, and contrary to the public interest to follow the requirements as to notice, public procedure thereon, and

the delaying of the effective date of this order for 30 days after publication, which would otherwise be necessary to be followed under section 4 of the Administrative Procedure Act (60 Stat. 237).

(48 Stat. 31, 670, 675; 49 Stat. 750; 50 Stat. 246; 61 Stat. 208, 707; 7 U. S. C. 601 et seq., 7 CFR 901.17, 901.18)

Issued at Washington, D. C., this 23d day of July 1948.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 48-6796; Filed, July 28, 1948; 8:45 a. m.]

PART 927—MILK IN NEW YORK METROPOLITAN MARKETING AREA

ORDER, AMENDING THE ORDER, AS AMENDED, REGULATING HANDLING

§ 927.0 *Findings and determinations.* The findings and determinations herein-after set forth are supplementary to and in addition to the findings and determinations made in connection with the issuance of this order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to Public Act No. 10, 73d Congress (May 12, 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (hereinafter referred to as the "act"), and the rules of practice and procedure covering the formulation of marketing agreements and orders (7 CFR, Supps. 900.1 et seq., 12 F. R. 1159, 4904) a public hearing was held upon certain proposed amendments to the tentative marketing agreement heretofore approved by the Secretary of Agriculture and to the order, as amended, regulating the handling of milk in the New York metropolitan milk marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended and as hereby further amended, and all of the terms and conditions of said order, as amended and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The prices calculated to give milk produced for sale in said marketing area a purchasing power equivalent to the purchasing power of such milk as determined pursuant to sections 2 and 8 (e) of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supplies of and demand for such milk and the minimum prices specified in the order, as amended and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which hearings have been held.

(b) *Additional findings.* It is necessary to make effective promptly the present amendments to the said order, as amended, to reflect current marketing conditions, and to insure the proper pricing of milk subject to the order. Orderly marketing of milk will be jeopardized by any delay beyond August 1, 1948 in the effective date of this order, as amended and as hereby further amended. The changes effected by this order, amending the order, as amended, do not require substantial or extensive preparation by persons affected prior to the effective date. The time intervening between the date of issuance of this order and its effective date affords persons affected a reasonable time to prepare for its effective date. In view of the foregoing, it is impracticable, unnecessary, and contrary to the public interest to delay the effective date of this order for 30 days after its publication. (Section 4 (c) Administrative Procedure Act, Public Law 404, 79th Cong. 60 Stat. 237.)

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing, or shipping the milk covered by this order, as amended) of more than 50 percent of the volume of milk covered by the aforesaid order, as amended and as hereby further amended, which is marketed within the New York metropolitan milk marketing area, refused or failed to sign the marketing agreement regulating (in the same manner as the aforesaid order, as amended and as hereby further amended) the handling of milk in the said marketing area which was heretofore approved by the Secretary of Agriculture; and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order further amending the said order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order further amending the said order, as amended, is approved or favored by at least two-thirds of the producers who, during May 1948 (said month having been determined to be a representative period) were engaged in the production of milk for sale in the said marketing area.

ORDER RELATIVE TO HANDLING

It is therefore ordered, That on and after the effective date hereof, the handling of milk in the New York metropolitan milk marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended and as hereby

further amended; and the aforesaid order, as amended, is hereby further amended as follows:

Amend § 927.5 (a) (1) (ii) to read as follows:

(ii) The Class I-A price per hundredweight for the months of August through December 1948 shall not be less than the higher of: (a) \$5.68 for the months of August and September, and \$6.12 for the months of October, November, and December; or (b) the 201-210 mile zone price per hundredweight established under Order No. 4 for Class I milk containing 3.7 percent butterfat for the Greater Boston marketing area, minus 19 cents.

Issued at Washington, D. C., this 23d day of July 1948, to be effective on and after the 1st day of August 1948.

(48 Stat. 31, 670, 675; 49 Stat. 750; 50 Stat. 246; 7 U. S. C. 601 et seq., sec. 102, Reorg. Plan 1 of 1947; 12 F. R. 4534)

[SEAL]

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 43-6703; Filed, July 23, 1948; 8:46 a. m.]

PART 961—MILK IN PHILADELPHIA, PA., MARKETING AREA

ORDER, AMENDING ORDER, AS AMENDED, REGULATING HANDLING

§ 961.0 *Findings and determinations.* The findings and determinations herein after set forth are supplementary to and in addition to the findings and determinations made in connection with the issuance of this order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to Public Act No. 10, 73d Congress (May 12, 1933), as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (hereinafter referred to as the "act"), and the rules of practice and procedure governing the formulation of marketing agreements and orders (7 CFR, Supps. 900.1 et seq., 11 F. R. 7737, 12 F. R. 1159, 4304) a public hearing was held upon a certain proposed amendment to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as amended and as hereby further amended, and all of the terms and conditions of said order, as amended and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The prices calculated to give milk produced for sale in said marketing area a purchasing power equivalent to the purchasing power of such milk as deter-

mined pursuant to sections 2 and 8 (a) of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supplies of and demand for such milk; and the minimum prices specified in the order, as amended and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended and as hereby further amended, regulates the handling of milk in the same manner and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which hearings have been held.

(b) *Additional findings.* It is necessary to make effective promptly the present amendment to the said order, as amended, to reflect current marketing conditions, and to insure the production of an adequate future supply of milk. Any delay beyond August 1, 1948, in the effective date of this order, as amended and as hereby further amended, will seriously threaten the supply of milk for the Philadelphia, Pennsylvania, marketing area and will disrupt orderly marketing. The changes effected by this order, amending the order, as amended, do not require substantial or extensive preparation by persons affected prior to the effective date. The time intervening between the date of issuance of this order and its effective date affords persons affected a reasonable time to prepare for its effective date. In view of the foregoing, it is impracticable, unnecessary, and contrary to the public interest to delay the effective date of this order for 30 days after its publication. (Sec. 4 (c) Administrative Procedure Act, Pub. Law 404, 79th Cong., 60 Stat. 237.)

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing, or shipping the milk covered by this order, as amended) of more than 50 percent of the volume of milk covered by the aforesaid order, as amended and as hereby further amended, which is marketed within the Philadelphia, Pennsylvania, marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area; and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order, further amending the said order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order further amending the said order, as amended, is approved or favored by at least two-thirds of the producers who, during May 1948 (said month having been determined to be a representative period) were engaged in the production of milk for sale in the said marketing area.

ORDER RELATIVE TO HANDLING

It is therefore ordered, That on and after the effective date hereof, the handling of milk in the Philadelphia, Pennsylvania, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended; and the aforesaid order, as amended, is hereby further amended as follows:

In § 961.4 (a) (1) delete the proviso "And provided further, That the price shall be at least \$5.56 for each month until but not including March 1947," and substitute: "And provided further That the price shall be at least \$5.90 for each of the months of August and September 1948, and at least \$6.30 for each of the months of October, November and December 1948."

Issued at Washington, D. C., this 23d day of July 1948, to be effective on and after the first day of August 1948.

(48 Stat. 31, 670, 675; 49 Stat. 750; 50 Stat. 246; 7 U. S. C. 601 et seq., sec. 102 Reorg. Plan 1 of 1947, 12 F. R. 4534)

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 48-6799; Filed, July 28, 1948;
8:46 a. m.]

PART 984—HANDLING OF WALNUTS GROWN IN CALIFORNIA, OREGON, AND WASHINGTON

ORDER REGULATING HANDLING

Sec. 1	
984.0	Findings and determinations.
984.1	Definitions.
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984.4	Withholding of surplus.
984.5	Disposition of surplus.
984.6	Reports and books and records.
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984.14	Effect of termination or amendment.

AUTHORITY: §§ 984.0 to 984.14, inclusive, issued under 48 Stat. 31, 670, 675; 49 Stat. 750; 50 Stat. 246; Pub. Law 132, 305, 80th Cong., 61 Stat. 208, 707; 7 U. S. C. 601 et seq.

§ 984.0 *Findings and determinations*—(a) *Findings upon the basis of the hearing record.* Pursuant to Public Act No. 10, 73d Congress (May 12, 1933) as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq., 61 Stat. 208, 707), and in accordance with the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR, Supps., 900.1 et seq., 12 F. R. 1159, 4904), a public hearing was held at San Francisco, California, on April 27-29, 1948, inclusive, upon a proposed marketing agreement and a proposed marketing order regulating the handling of walnuts grown in California, Oregon, and Washington. Upon the basis of evidence in-

troduced at such hearing, and the record thereof, it is found that:

(1) This order, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) This order is applicable only to persons in the respective classes of industrial and commercial activities specified in the proposals upon which the hearing was held;

(3) There are no differences in the production and marketing of said commodity in the production area covered by this order that makes necessary different terms applicable to different parts of such area;

(4) The production area, as set forth in this order is the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act; and

(5) It is hereby found and proclaimed that the purchasing power of walnuts grown in California, Oregon, and Washington during the period August 1909-July 1914 cannot be satisfactorily determined from available statistics of the United States Department of Agriculture, but the purchasing power of such walnuts can be satisfactorily determined from available statistics of the United States Department of Agriculture for the period August 1919-July 1929, and such period is the base period to be used in connection with the determination of the purchasing power of walnuts under this order.

(b) *Additional findings.* It is necessary, in the public interest, to make this order effective not later than August 1, 1948. Such date is the beginning of the next marketing season, and it is essential that this marketing order be effective at the beginning of said marketing season so that producers and handlers may be in a position to obtain the benefits of this program throughout the entire season and, in addition, so that the responsibilities and obligations of this program may be distributed equitably throughout the season. It is also necessary to have the Walnut Control Board, the administrative agency provided for in the order, organized and functioning by that date, so that it may take all actions necessary to be in readiness for the handling of the new crop of walnuts. The nature and provisions of the order are well known to the handlers, since the public hearing was held in April 1948, and the recommended and final decisions were published in the FEDERAL REGISTER on June 23, 1948, and July 21, 1948, respectively. Compliance with this order will require no preparation on the part of handlers which may not be completed by August 1, 1948, particularly since such handlers have been operating under a marketing agreement and order program generally similar to this program. It is hereby found and determined, in view of these facts and circumstances, that good cause exists for making this order effective August 1, 1948, and that it would be contrary to the public interest to delay the effective date of this order for 30 days after its publication (see section 4 (c) Administrative Procedure Act, 60 Stat. 237)

(c) *Determinations.* It is hereby determined that:

(1) A marketing agreement regulating the handling of walnuts grown in California, Oregon, and Washington, upon which the aforesaid public hearing was held, has been executed by handlers (excluding cooperative associations of producers who are not engaged in processing, distributing, or shipping walnuts covered by this order) who handled not less than 50 percent of the volume of such walnuts covered by this order;

(2) The issuance of this order is favored or approved by producers who, during the representative period (August 1, 1947-May 31, 1948) determined by the Secretary, produced for market at least two-thirds of the volume of walnuts produced for market within California, Oregon, and Washington.

Order relative to handling. It is, therefore, ordered that any handling of walnuts produced in California, Oregon, or Washington, as is in the current of interstate or foreign commerce shall, on and after the effective time hereof, be in conformity to and in compliance with the terms and conditions of the following order:

§ 984.1 *Definitions.* As used herein, the following terms have the following meanings:

(a) "Secretary" means the Secretary of Agriculture of the United States, or any other officer or employee of the United States Department of Agriculture who is, or who may be, authorized to perform the duties of the Secretary of Agriculture of the United States.

(b) "Walnuts" means only walnuts of the "English" (*Juglans Regia*) varieties grown in the States of California, Oregon, and Washington.

(c) "Unshelled walnuts" means walnuts the kernels of which are contained in the shell.

(d) "Merchantable walnuts" means all unshelled walnuts meeting the pack specifications and minimum standards of quality and maturity prescribed pursuant to § 984.3 (a)

(e) "Area of production" means the states of California, Oregon and Washington.

(f) "Person" means an individual, partnership, corporation, association, or any other business unit.

(g) "Handler" means any packer or distributor of unshelled walnuts.

(h) "Packer" means any person packing and handling unshelled walnuts.

(i) "Distributor" means any person, other than a packer, handling unshelled walnuts which have not been subjected, in the hands of a previous holder, to compliance with the surplus-control provisions hereinafter contained.

(j) "Sheller" means any person engaged in the business of shelling walnuts for any commercial purpose.

(k) "Pack" means a specific commercial classification according to size, internal quality, and external appearance and condition, of merchantable walnuts, packed in accordance with the pack specifications prescribed pursuant to § 984.3 (a)

(l) "To pack" means to bleach, clean, grade, or otherwise prepare walnuts for market as unshelled walnuts in any manner whatsoever.

(m) "To handle" means to sell, consign, transport, ship (except as a common carrier of walnuts owned by another person) or in any other way to put into the channels of trade in the current of interstate or foreign commerce.

(n) "To ship" means to convey or cause to be conveyed by railroad, truck, boat or any other means whatsoever, but not as a common carrier for another person.

(o) "Marketing year," for the purposes of this order, means the twelve months from August 1 to the following July 31, both inclusive.

(p) "Handler carryover" as of any given date means all merchantable walnuts (except merchantable walnuts held as surplus) wherever located, then held by handlers or for their accounts (whether or not sold) including the estimated quantity of merchantable walnuts in ungraded lots then held by handlers and intended for packing as merchantable walnuts.

(q) "Trade carryover" means all merchantable walnuts theretofore delivered by handlers and then remaining in the possession or control of the wholesale or chain store trade, exclusive of walnuts in retail outlets, as of any given date.

(r) "Trade demand" means the quantity of merchantable walnuts which the wholesale and chain store trade will acquire from all handlers during a marketing year for distribution in the Continental United States, Alaska, Hawaii, Puerto Rico and the Canal Zone: *Provided*, That there may also be considered in the making of such computation such requirements for distribution in Canada or Cuba, whenever there is reasonable probability that such distribution may be made to the particular country at prices reasonably comparable with prices received in the continental United States.

(s) "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C., §601 et seq.).

(t) "Control Board" or "Walnut Control Board" means the Control Board established pursuant to § 984.2.

§ 984.2 *Control Board*—(a) *Membership*. (1) A Control Board is hereby established consisting of nine (9) members. The original members and their respective alternates shall consist of the members and alternates respectively of the Control Board selected by the Secretary pursuant to the provisions of Marketing Order No. 1, as amended, regulating the handling of walnuts grown in California, Oregon, and Washington, and who are holding these positions on July 31, 1948. Said members and alternates shall hold office for a term ending with the first Monday in April, 1949, and until their successors shall be selected and shall qualify.

(2) The successors of the original members and their respective alternates shall be selected annually by the Secretary for a term of one (1) year beginning with the first Tuesday after the first Monday in April, and shall serve until their respective successors shall be selected and shall qualify. One (1) mem-

ber and one (1) alternate member shall be selected from nominees by each of the following groups, or from among other qualified persons belonging to such groups:

(i) The cooperative handlers doing business within the State of California;

(ii) All handlers, other than the cooperative handlers, doing business within the State of California;

(iii) The group of cooperative handlers or other than cooperative handlers doing business within the State of California, who during the preceding marketing year handled more than fifty (50) percent of the merchantable walnuts handled by handlers located within the State of California;

(iv) Those growers of walnuts whose orchards are located in California and who market their walnuts through cooperative packers;

(v) All other growers of walnuts whose orchards are located in California;

(vi) Those growers, whose orchards are located in California and whose walnuts were marketed during the preceding marketing year through the handler group specified in subdivision (iii) of this subparagraph;

(vii) The handlers, whose plants are located within the States of Oregon or Washington;

(viii) The growers of walnuts whose orchards are located within the States of Oregon or Washington.

The ninth member shall be selected after the selection of the eight (8) members from the above specified groups and after opportunity for such eight (8) members to nominate the ninth member.

(b) *Nominations*. Each of the eight (8) groups specified in the foregoing subsection may nominate one (1) person as member and one (1) person as alternate; and the eight (8) members first selected may nominate, by majority vote, one (1) person as member and one (1) person as alternate for the ninth member. Nominations for each handler group shall be submitted on the basis of ballots to be mailed by the Control Board to all handlers in such group whose pack for the preceding marketing year is on record with the Control Board. Nominations on behalf of growers who market their walnuts through cooperative handlers shall be submitted on the basis of ballots cast by each such cooperative handler for its growers. Nominations on behalf of growers who market their walnuts through other than cooperative handlers shall be submitted after ballot by such growers pursuant to announcements by press releases through the United States Department of Agriculture to the principal papers in the walnut producing areas in California, Oregon, and Washington. Such releases shall provide pertinent information including the names of incumbents from the areas involved and the location where ballots may be obtained. The ballots shall be accompanied by full instructions as to their marking and mailing. All votes cast by cooperative handlers, handlers other than cooperative handlers, or for cooperative grower groups, shall be weighted according to the tonnage of merchantable walnuts (computed to the nearest whole ton in case of fractions)

recorded as certified for handling by the handler or for the cooperative grower group during the preceding marketing year, and if less than one (1) ton is recorded for any such handler or grower group, its vote shall be weighted as one (1) vote. All votes cast by individual growers shall be given equal weight: *Provided*, That when growers marketing through cooperative handlers and growers marketing through other than cooperative handlers are in the same group entitled to submit nominations, the vote for the nominee receiving the largest number of votes of growers marketing through other than cooperative handlers shall be weighted according to the combined tonnage of merchantable walnuts of such other than cooperative handlers recorded as certified for handling by them during the preceding marketing year. For the first year in which nominations are made the records of walnuts certified for handling of the predecessor Walnut Control Board shall be used. Nominations received in the foregoing manner by the Control Board shall be reported to the Secretary on or before March 20 of each marketing year, together with a certificate of all necessary tonnage data and other information deemed by the Board to be pertinent or requested by the Secretary. If the Board fails to report nominations to the Secretary in the manner hereinbefore specified on or before March 20 of any year, the Secretary may select the member or alternate without nomination. If nominations for the ninth member or alternate are not submitted on or before April 15 of any year, the Secretary may select such member or alternate without nomination.

(c) *Qualification*. Any person selected as a member or alternate of the Control Board shall qualify by filing a written acceptance of his appointment with the Secretary or his designated representative. Any member or alternate who, at the time of his selection, was a member of or employed by a member of the group which nominated him shall, within thirty (30) days after he ceases to be such member or employee, become disqualified to serve further and his position on the Control Board shall be deemed vacant.

(d) *Alternates*. (1) An alternate for a member of the Control Board shall act in the place and stead of such member (i) in his absence, or (ii) in the event of his death, removal, resignation, or disqualification, until a successor for his unexpired term has been selected and has qualified.

(2) In the event any member of the Control Board and his alternate are both unable to attend a meeting of the Control Board, any alternate for any other member nominated by the same group that nominated the absent member may serve in the place and stead of the absent member and his alternate, or in the event such other alternate cannot attend, or there is no such other alternate, such member or, in the event of his disability or a vacancy, his alternate may designate, subject to the disapproval of the Secretary, a temporary substitute to attend such meeting. At such meeting such temporary substitute may act in the

place and stead of such member. For the purposes of this subsection a cooperative handler group and a cooperative grower group in the same State shall be considered the same group.

(e) *Vacancy.* To fill any vacancy occasioned by the death, removal, resignation, or disqualification of any member or alternate of the Control Board, a successor for his unexpired term shall be selected in the manner provided in paragraph (b) of this section within thirty (30) days after such vacancy occurs. If a nomination is not made and reported to the Secretary by the Board within such thirty (30) days, the Secretary may select a member or alternate to fill such vacancy.

(f) *Expenses.* The members of the Control Board shall serve without compensation, but shall be allowed their necessary expenses.

(g) *Powers.* The Control Board shall have the following powers:

(1) To administer the provisions hereof in accordance with its terms;

(2) To make rules and regulations to effectuate the terms and provisions hereof;

(3) To receive, investigate, and report to the Secretary complaints of violations hereof;

(4) To recommend to the Secretary amendments hereto.

(h) *Duties.* The duties of the Control Board shall be as follows:

(1) To act as intermediary between the Secretary and any handler or grower;

(2) To keep minute books and records which will clearly reflect all of its acts and transactions, and such minute books and records shall at any time be subject to the examination of the Secretary;

(3) To furnish to the Secretary such available information as he may request;

(4) To appoint such employees as it may deem necessary and to determine the salaries, define the duties and fix the bonds of such employees;

(5) To cause the books of the Control Board to be audited by one or more competent public accountants at least once for each marketing year and at such other times as the Control Board deems necessary or as the Secretary may request, and to file with the Secretary three (3) copies of all audit reports made;

(6) To investigate the growing, shipping and marketing conditions with respect to walnuts and to assemble data in connection therewith.

(i) *Procedure.* (1) The members of the Control Board shall select a chairman from their membership and all communications from the Secretary may be addressed to the chairman at such address as may from time to time be filed with the Secretary. The Board shall select such other officers and adopt such rules for the conduct of its business as it may deem advisable. The Board shall give to the Secretary or his designated agent and representatives the same notice of meetings of the Control Board as is given to members of the Board.

(2) All decisions of the Control Board, except where otherwise specifically provided, shall be by a majority vote of the members present. The presence of six (6) members shall be required to constitute a quorum.

(3) The Control Board may vote by mail or telegram upon due notice to all members, and when any proposition is submitted for voting by such method, one (1) dissenting vote shall prevent its adoption until submitted to a meeting of the Control Board.

(4) The Members of the Control Board (including successors, alternates, or other persons selected by the Secretary), and any agent or employee appointed or employed by the Control Board, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination, or other act of the Control Board shall be subject to the continuing right of the Secretary to disapprove of the same at any time, and, upon such disapproval shall be deemed null and void except as to acts done in reliance thereon or in compliance therewith.

§ 984.3 *Control of distribution—(a) Pack specifications and minimum standards.* In order to effectuate the declared policy of the act, the Control Board shall, with the approval of the Secretary, prescribe pack specifications for the several commercially recognized grades, including minimum standards of quality and maturity for the packing of unshelled walnuts; and thereafter, except as otherwise provided in paragraph (d) of this section, no handler shall handle any unshelled walnuts except those certified by the Control Board as merchantable and packed in accordance with such specifications and minimum standards. The provisions hereof relating to minimum standards of quality and maturity and grading and inspection requirements, within the meaning of section 2 (3) of the act, and any other provisions pertaining to the administration and enforcement thereof, shall continue in effect irrespective of whether the seasonal average price for walnuts is in excess of the parity level specified in section 2 (1) of the act. To aid the Secretary in determining whether to approve such pack specifications, the Control Board shall furnish to the Secretary the data upon which it acted in prescribing such pack specifications and such other data pertaining thereto as the Secretary may request.

(b) *Certification of merchantable walnuts.* Every handler, at his own expense, shall obtain a certificate for each lot of merchantable walnuts handled or to be handled by him and for each lot of surplus merchantable walnuts. Said certificates shall be issued by inspectors designated by the Control Board. All such certificates shall show, in addition to such other requirements as the Control Board may specify, the identity of the handler, whether or not for interstate shipment, if for export, the country of destination, the quantity and pack of merchantable walnuts in such lot, and that the walnuts covered by such certificate conform to the pack specifications and minimum requirements prescribed pursuant to paragraph (a) of this section. The Control Board may direct that such certificate be not issued to any handler who has failed to meet his surplus obligation in accordance with the terms hereof. All lots so inspected and certified shall be identified by appropriate seals or stamps and tags to be affixed to

the containers by the handler under the direction and supervision of the Control Board.

(c) *Copies of certificate.* Copies of each such certificate shall be furnished by the inspector to the handler and the Control Board.

(d) *Walnuts for packing and shelling.* Nothing contained herein shall be construed to prevent any person from selling or delivering, within the area of production, unshelled walnuts, other than merchantable walnuts, to any packer for packing or sheller for shelling: *Provided*, That all such sales or deliveries involving the shipment of walnuts from California to Oregon or Washington, from Oregon to Washington, and from Oregon or Washington to California, must be reported by the shipper to the Control Board at the time of shipment. This report shall show the quantities shipped, the identity of the consignee and whether the walnuts so shipped will be packed or shelled.

§ 984.4 *Withholding of surplus—(a) Salable and surplus percentages.* The salable and surplus percentages of merchantable walnuts for each marketing year shall be fixed by the Secretary at such amounts as in his judgment will most effectively tend to accomplish the purposes of the act. In fixing the salable and surplus percentages the Secretary shall give consideration to the ratio of the estimated trade demand to the sum of the estimated production of merchantable walnuts and the handler carryover (with appropriate adjustment for such handler carryover as may have theretofore contributed to surplus) the recommendations submitted to him by the Control Board, and such other pertinent data as he deems appropriate.

The total of the salable and surplus percentages fixed each marketing year shall equal one hundred (100) percent. The salable and surplus percentages so fixed shall not apply to separate packs of walnuts, of which not over twelve (12) percent by count pass through a round opening $\frac{3}{4}$ inches in diameter.

(b) *Increase of salable percentage.* At any time prior to February 15 of any marketing year the Secretary may, on request of the Control Board (or if the Control Board shall fail so to request, on request of two or more packers who have handled during the immediately preceding marketing year at least ten (10) percent of the total tonnage handled by all packers during such marketing year) and after a finding of fact, based on such revised and current information as may be pertinent, that the merchantable walnuts available for sale will not be sufficient to supply the trade demand, increase the salable percentage to conform to such new relation as may be found to exist between trade demand and available supply.

(c) *Estimated carryover, trade demand, and production.* To aid the Secretary in fixing the salable and surplus percentages, the Board shall furnish to the Secretary, not later than September 1 of each marketing year, the following estimates and recommendation, each of which shall be adopted by at least a two-thirds ($\frac{2}{3}$) vote of the entire Control Board:

(1) Its estimate of the quantity of merchantable walnuts to be produced and packed during such year;

(2) Its estimate of handler carry-over as of August 1;

(3) Its estimate of trade carry-over as of August 1;

(4) Its estimate of the total trade demand (on the basis of prices not exceeding the maximum prices contemplated in section 2 of the act) in determining such trade demand consideration shall be given to the estimated trade carry-over at the beginning and end of the marketing year;

(5) Its recommendation as to the salable and surplus percentages to be fixed.

The Board shall also furnish to the Secretary a complete report of the proceedings of the Board meeting at which the recommended salable and surplus percentages to be fixed by the Secretary were adopted.

(d) *Withholding percentage.* The withholding percentage shall be the ratio (measured as a percentage) of the surplus percentage to the salable percentage. Such percentage shall be announced by the Secretary and, in its computation, shall be adjusted to the nearest whole number.

(e) *Withholding of surplus merchantable walnuts.* No handler shall handle unshelled walnuts unless prior to or upon the shipment thereof (except as otherwise provided in paragraph (f) of this section) he shall have withheld from handling a quantity of merchantable walnuts equal to the withholding percentage, by weight, of such quantity handled or certified for handling by him: *Provided*, That this provision shall not apply to any lot of walnuts for which the surplus obligation has been met by a previous holder, nor to separate packs of walnuts, of which not over twelve (12) percent by count pass through a round opening $\frac{9}{16}$ inches in diameter. The quantity of walnuts hereby required to be withheld shall constitute, and may be referred to as, the "surplus" or "surplus obligation" of a handler. The merchantable walnuts handled by any handler in accordance with the provisions hereof shall be deemed to be that handler's quota fixed by the Secretary within the meaning of section 8a (5) of the act.

(f) *Postponement of withholding surplus upon filing bond.* (1) Compliance by any packer with the requirements of paragraph (e) of this section as to the time when surplus walnuts shall be withheld shall be deferred to any date desired by the packer but not later than December 31 of the marketing year, upon the voluntary execution and delivery by such packer to the Control Board, before he handles any merchantable walnuts of such marketing year, of a written undertaking that on or prior to such date he will have fully satisfied his surplus obligation required by paragraph (e) of this section.

(2) Such undertaking shall be secured by a bond or bonds to be filed with and acceptable to the Control Board, and with a surety or sureties acceptable to the Control Board, in the amount or amounts stated below conditioned upon full compliance with such undertaking. Such bond or bonds shall, at all times

during their effective period, be in such amounts that the aggregate thereof shall be no less than the total bonding value of the packer's deferred surplus obligation. The bonding value shall be the deferred surplus obligation poundage bearing the lowest bonding rate or rates, which could have been selected from the packs handled or certified for handling, multiplied by the applicable bonding rate. The cost of such bond or bonds shall be borne by the packer filing same.

(3) Said bonding rate for each pack shall be an amount per pound representing the season's domestic price for such pack net to packer f. o. b. shipping point which shall be computed at ninety-five (95) percent of the opening price for such pack announced by the packer or packers who during the preceding marketing year handled two-thirds ($\frac{2}{3}$) of the merchantable walnuts handled by all packers. Such packer or packers shall be selected in order of volume handled in the preceding marketing year, using the minimum number of packers to represent a volume of two-thirds ($\frac{2}{3}$) of the total volume handled. If such opening prices involve different prices announced by two (2) or more packers for respective packs, the prices so announced shall be averaged on the basis of the quantity of such packs handled during the preceding marketing year by each such packer.

(4) Any sums collected through default of a packer on his bond shall be used by the Control Board to purchase, from packers, as provided herein, a quantity of merchantable walnuts not to exceed the total quantity represented by the sums collected. Purchases shall be made from the salable percentages with respect to which the surplus obligation has been met and at the bonding rate for each pack. The Control Board shall at all times purchase the lowest priced packs offered and the purchases shall be made from the various packers as nearly as practicable in proportion to the quantity of their respective offerings of the pack or packs to be purchased.

(5) Any unexpended sums, which have been collected by the Control Board through default of a packer on his bond, remaining in possession of the Control Board at the end of a marketing year shall be used to reimburse the Board for its expenses including administrative and other costs incurred in the collection of such sums and in the purchase of merchantable walnuts as provided in (4) of this paragraph (f). Any balance remaining after reimbursement of such expenses shall be refunded to all packers from whom sums were collected on bonds during such marketing year, in proportion to the respective collections thereunder.

(6) Walnuts purchased as provided in this subsection shall be turned over to those packers, who have defaulted on their bonds, for disposal by them as surplus. The quantity delivered to each packer shall be that quantity represented by the sums collected through default, and the different grades, if any, shall be apportioned among the various packers on the basis of the quantity of walnuts to be delivered to each packer to the total quantity purchased by the Control Board with bonding funds.

(7) Collection by the Control Board upon any bond or bonds filed pursuant to the provisions of this paragraph (f) of this section shall be deemed a satisfaction of the surplus obligation represented by such collection: *Provided*, That the walnuts purchased by the Control Board with funds collected under bonds and subsequently turned over to such packers are used only for the purposes provided in § 934.5 for the disposal of surplus.

(g) *Interhandler transfers for surplus.* For the purpose of meeting his surplus obligation, any handler may, upon notice to and under the supervision and direction of the Control Board, acquire from another handler merchantable walnuts with respect to which the surplus has not been withheld and any surplus obligation with respect to any walnuts so transferred shall be waived. If any such sales are made from walnuts on which the surplus obligation has been met, the seller's surplus obligation shall be reduced accordingly upon proof satisfactory to the Control Board that the purchaser is withholding such walnuts as surplus.

(h) *Assistance of Control Board in accounting for surplus.* The Control Board, on written request, may assist handlers in accounting for their surplus obligations and may aid any handler in acquiring merchantable walnuts to meet any deficiency in a handler's surplus, or in accounting for and disposing of surplus walnuts.

(i) *Application of salable, surplus and withholding percentages, and bonding rates, after end of marketing year.* (1) The salable, surplus and withholding percentages established for any marketing year shall continue in effect with respect to all walnuts, for which the surplus obligation has not been previously met, which are handled or certified for handling by any handler after the end of such marketing year and before salable, surplus and withholding percentages are established for the succeeding marketing year. After such percentages are established for the new marketing year, the withholding requirements for all such walnuts theretofore handled or certified for handling during that marketing year shall be adjusted to the newly established percentages. Pending the establishment of such percentages for the marketing year beginning August 1, 1948, the effective withholding percentage shall be twenty-five (25) percent.

(2) The bonding rates established for any marketing year shall continue in effect with respect to any bond or bonds executed and delivered pursuant to paragraph (f) of this section, before the bonding rates for the new marketing year are established. After such bonding rates are established for the new marketing year, the new rates shall be applicable and any bond or bonds theretofore given for that marketing year shall be adjusted to the new rates. Pending the establishment of bonding rates for the marketing year beginning August 1, 1948, the bonding rates shall be the credit values for the corresponding packs theretofore established for the crop year ending July 31, 1948, pursuant to the provisions of Marketing Order

No. 1, as amended, regulating the handling of walnuts grown in California, Oregon, and Washington.

(j) *Exchange of surplus walnuts.* Any handler who has withheld surplus walnuts pursuant to the requirements of paragraph (e) of this section and has had same certified as surplus walnuts may exchange therefor an equal quantity, by weight, of other merchantable walnuts. Any such exchange shall be made under the supervision and direction of the Control Board with appropriate inspection and certification of the walnuts involved.

(k) *Adjustment upon increase of salable percentage.* Upon any increase in the salable percentage and corresponding decrease in the surplus and withholding percentages, the surplus obligation of each handler with respect to the walnuts handled by him for the entire marketing year shall be recomputed in accordance with such revised salable, surplus and withholding percentages. From the surplus walnuts still held by a handler and from such surplus walnuts that may have been delivered by him to the Control Board pursuant to § 984.5 (b) and still held by the Control Board, the handler shall be permitted to select, under the supervision and direction of the Control Board, the particular surplus walnuts to be restored to his salable percentage.

§ 984.5 *Disposition of surplus—(a) Prohibition against handling of surplus.* Except as provided in paragraphs (b) and (c) of this section, surplus walnuts withheld pursuant to the requirements of § 984.4 (e) shall not be handled by any person as unshelled walnuts.

(b) *Disposition of surplus by export.* Sales of surplus walnuts for shipment or export to destinations outside the Continental United States, Alaska, Hawaii, Puerto Rico and the Canal Zone shall be made only by the Control Board. Any handler desiring to export any part or all of his surplus walnuts shall deliver to the Control Board his surplus to be exported; but the Control Board shall be obligated to sell in export only such quantities for which it may be able to find satisfactory export outlets. Any walnuts so delivered for export which the Control Board is unable to export shall be returned to the handler delivering them. Sales for export shall be made by the Control Board only on execution of an agreement to prevent reimportation into the United States; and in case of export to Canada or Mexico, such walnuts shall be sold only on the basis of a delivered price, duty paid. A handler may be permitted to act as agent of the Control Board, upon such terms and conditions as the Control Board may specify, in negotiating export sales; and when so acting shall be entitled to receive a selling commission of five (5) percent of the export sales price, f. o. b. area of production. The proceeds of all export sales, after deducting all expenses actually and necessarily incurred, shall be paid to the handler whose surplus walnuts are so sold by the Board.

(c) *Disposal of surplus for shelling.* (1) Any handler may shell his surplus walnuts or deliver them for shelling to an authorized sheller.

(2) Any person who desires to become an authorized sheller in any marketing year may submit an application to the Control Board. Such application shall be granted only upon condition that the applicant agrees:

(i) To use such surplus walnuts as he may receive for no purpose other than shelling;

(ii) To dispose of or deliver such surplus walnuts, as unshelled walnuts, to no one other than another authorized sheller;

(iii) To comply fully with all laws and regulations applicable to the shelling of walnuts;

(iv) To report to the Control Board, immediately upon receipt of any lot of surplus walnuts, the quantity and pack of the walnuts so received and the identity of the person from whom received, and within fifteen (15) days after the disposition of such walnuts, to report their disposition to the Control Board. All such reports shall be certified to the Control Board and to the Secretary as to their correctness and accuracy.

The Board, if it finds that such an application is made in good faith and if the applicant may be reasonably relied upon to fulfill and observe the conditions to which it has agreed, shall issue a letter of authority to such applicant to serve as an authorized sheller. Such letter of authority shall expire with the end of the marketing year during which it is issued by the Board.

§ 984.6 *Reports and books and records—(a) Reports of handler carryover.* Each handler, on or before August 15 and January 15 of each marketing year, shall file with the Control Board a written report, under oath, of all merchantable walnuts (except walnuts held as surplus) including the estimated quantity of merchantable walnuts in ungraded lots intended for packing as merchantable walnuts, by him held on the first day of August and January, respectively, showing the pack (if merchantable) and location thereof, and the quantities:

(1) Which theretofore have been certified for handling, and on which the surplus obligation has previously been met;

(2) Which have been packed as merchantable walnuts but have not been certified; and

(3) Which are estimated as merchantable but have not been packed as merchantable walnuts and are intended for packing as merchantable walnuts.

(b) *Reports of disposition of surplus.*

(1) Each handler, before he disposes of any quantity of surplus walnuts held by him, shall file with the Control Board a report of his intention to dispose of such quantity of surplus walnuts. This report shall be filed not less than five (5) days prior to the date on which the surplus walnuts are disposed of unless the five (5) day period is expressly waived by the Control Board.

(2) Each handler, within fifteen (15) days after the disposition of any quantity of surplus walnuts, shall file with the Control Board a report of the actual disposition of such quantity of surplus walnuts. Such reports shall be certified to the Control Board and to the Secre-

tary as to their correctness and accuracy.

(3) Each handler, from time to time, on demand of the Control Board, shall file with the Board a report of his holdings of surplus walnuts as of any date specified by the Board. Such report, at the request of the Control Board, may be in the form of a confirmation of the records of the Control Board of such handler's holdings.

(4) All reports required by this paragraph of this section shall show the quantity, pack and location of the walnuts covered by such reports and in the case of reports required by subparagraphs (1) and (2) of this paragraph, the applicable handler's storage lot and Control Board certificate numbers, and the disposition of the surplus which is intended or which has been accomplished.

(c) *Other reports.* Upon request of the Control Board, made with the approval of the Secretary, every handler shall furnish to the Board, in such manner and at such times as it prescribes (in addition to such other reports as are specifically provided for herein), such other information as will enable the Control Board to perform its duties and to exercise its powers hereunder.

(d) *Verification of reports.* For the purpose of checking and verifying reports made by handlers to it, the Control Board, through its duly authorized agents, shall have access to the handler's premises wherever walnuts may be held by such handler and, at any time during reasonable business hours, shall be permitted to inspect any walnuts so held by such handler and any and all records of the handler with respect to the holding or disposition of all walnuts which may be held or which may have been disposed of by such handler. Every handler shall furnish all labor necessary to facilitate such inspections as the Control Board may make of such handler's holdings of any walnuts. Every handler shall store surplus walnuts in such manner as to facilitate inspection and shall maintain adequate storage records which will permit accurate identification with respect to Control Board certificates of respective lots of all such walnuts held or theretofore disposed of.

§ 984.7 *Expenses and assessments—*

(a) *Expenses.* The Control Board is authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred by it during each marketing year, for the maintenance and functioning of the Control Board and for such purposes as the Secretary may, pursuant to the provisions hereof, determine to be appropriate. The recommendation of the Control Board as to the expenses for each such marketing year, together with all data supporting such recommendations, shall be submitted to the Secretary on or before September 15 of the marketing year in connection with which such recommendation is made. The funds to cover such expenses shall be acquired by levying assessments as hereinafter provided.

(b) *Assessments.* (1) Each handler shall pay to the Control Board on demand by the Control Board, from time

to time, the sum of 0.10¢ for each pound of merchantable walnuts handled or certified for handling by him after the effective date hereof. At any time during or after a marketing year, the Secretary may increase the rate of assessment to apply to all walnuts handled or certified for handling during such marketing year to secure sufficient funds to cover the expenses authorized by paragraph (a) of this section or by any later finding by the Secretary relative to the expenses of the Control Board, and such additional assessments shall be paid to the Control Board by each handler on demand.

(2) Any money collected as assessments during any marketing year and not expended in connection with the respective marketing year's operations hereunder may be used and shall be refunded by the Control Board in accordance with the provisions hereof. Such excess funds may be used by the Control Board during the period of four (4) months subsequent to such marketing year in paying the expenses of the Control Board incurred in connection with the new marketing year. The Control Board shall, however, from funds on hand, including assessments collected during the new marketing year, distribute or make available, within five (5) months after the beginning of the new marketing year, the aforesaid excess to each handler from whom an assessment was collected, as aforesaid, in the proportion that the amount of the assessment paid by the respective handler bears to the total amount of the assessments paid by all handlers during said marketing year.

(3) Any money collected from assessments hereunder and remaining unexpended in the possession of the Control Board upon the termination hereof shall be distributed in such manner as the Secretary may direct.

§ 984.8 *Personal liability.* No member or alternate of the Control Board nor any employee or agent thereof shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any handler or any person for errors in judgment, mistakes, or other acts either of commission or omission, as such member, alternate or employee, except for acts of dishonesty.

§ 984.9 *Separability.* If any provision hereof is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder hereof or the applicability thereof to any other person, circumstance, or thing shall not be affected thereby.

§ 984.10 *Derogation.* Nothing contained herein is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 984.11 *Duration of immunities.* The benefits, privileges, and immunities conferred upon any person by virtue hereof

shall cease upon the termination hereof except with respect to acts done under and during the existence hereof.

§ 984.12 *Agents.* The Secretary may, by a designation in writing, name any person, including any officer or employee of the Government, or name any bureau or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions hereof.

§ 984.13 *Effective time and termination—(a) Effective time.* The provisions hereof shall become effective at such time as the Secretary may declare above his signature attached hereto, and shall continue in force until terminated in one of the ways hereinafter specified.

(b) *Termination.* (1) The Secretary may, at any time, terminate the provisions hereof by giving at least one (1) day's notice by means of a press release or in any other manner which he may determine.

(2) The Secretary may terminate or suspend the operation of any or all of the provisions hereof, whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(3) The Secretary shall terminate the provisions hereof at the end of any marketing year whenever he finds that such termination is favored by a majority of the producers of walnuts who during the preceding marketing year have been engaged in the production for market of walnuts in the States of California, Oregon, and Washington: *Provided*, That such majority have during such period produced for market more than fifty (50) percent of the volume of such walnuts produced for market within said States; but such termination shall be effected only if announced on or before July 1 of the then current marketing year.

(4) The provisions hereof shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

(c) *Proceedings after termination.*

(1) Upon the termination of the provisions hereof, the members of the Control Board then functioning shall continue as joint trustees, for the purpose of liquidating the affairs of the Control Board, of all funds and property then in the possession or under the control of the Board, including claims for any funds unpaid or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(2) Said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time, account for all receipts and disbursements and deliver all property on hand, together with all books and records of the Control Board and the joint trustees, to such person as the Secretary may direct; and shall, upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the Control Board or the joint trustees pursuant hereto.

(3) Any person to whom funds, property or claims have been transferred or

delivered by the Control Board or its members, pursuant to this section, shall be subject to the same obligations imposed upon the members of the said Board and upon said joint trustees.

§ 984.14 *Effect of termination or amendment.* Unless otherwise expressly provided by the Secretary, the termination hereof or of any regulation issued pursuant hereto, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision hereof or any regulation issued hereunder, or (b) release or extinguish any violation hereof or of any regulation issued hereunder, or (c) affect or impair any rights or remedies of the Secretary or of any other person, with respect to any such violation.

Issued at Washington, D. C., this 23d day of July 1948, to be effective on and after 12:01 a. m., P. s. t., August 1, 1948.

[SEAL]

CHARLES F. BRANNAN,
Secretary of Agriculture.

[P. R. Doc. 42-6797; Filed, July 28, 1948; 8:45 a. m.]

Chapter XIV—Production and Marketing Administration (School Lunch Program)

APPENDIX—APPORTIONMENT OF ASSISTANCE FUNDS

APPORTIONMENT OF FOOD ASSISTANCE FUNDS PURSUANT TO NATIONAL SCHOOL LUNCH ACT

Pursuant to section 4 of the National School Lunch Act (60 Stat. 230) food assistance funds available for the fiscal year ending June 30, 1949, are apportioned among the several States as follows:

State	Total	State agency	With-hold for private schools
Alabama.....	\$2,176,015	\$2,123,022	\$47,093
Arizona.....	314,016	298,233	15,783
Arkansas.....	1,423,855	1,423,011	20,840
California.....	2,224,556	2,224,556	
Colorado.....	431,012	393,883	37,129
Connecticut.....	479,572	479,572	
Delaware.....	77,632	65,632	12,000
Dist. of Columbia.....	151,622	151,622	
Florida.....	655,813	629,825	25,988
Georgia.....	2,115,473	2,115,473	
Idaho.....	214,547	208,416	6,131
Illinois.....	2,074,425	2,074,425	
Indiana.....	1,372,525	1,372,525	
Iowa.....	627,740	549,633	78,107
Kansas.....	737,573	737,573	
Kentucky.....	1,833,041	1,833,041	
Louisiana.....	1,024,011	1,024,011	
Maine.....	239,039	217,032	22,006
Maryland.....	622,033	547,039	74,994
Massachusetts.....	1,025,311	935,796	89,515
Michigan.....	2,159,655	1,823,223	336,432
Minnesota.....	1,123,628	923,832	199,796
Mississippi.....	2,177,422	2,165,422	
Missouri.....	1,338,037	1,338,037	
Montana.....	175,012	162,012	13,000
Nebraska.....	423,853	423,853	
Nevada.....	20,717	20,717	
New Hampshire.....	163,232	163,232	
New Jersey.....	1,012,341	831,313	181,028
New Mexico.....	325,035	301,789	23,246
New York.....	3,022,853	3,022,853	
North Carolina.....	2,012,041	2,012,041	
North Dakota.....	226,045	217,125	9,920
Ohio.....	2,244,055	2,037,025	207,030
Oklahoma.....	1,329,047	1,329,047	
Oregon.....	470,722	470,722	

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State	Total	State agency	With-held for private schools
Pennsylvania.....	\$3,372,863/	\$2,797,247	\$575,616
Rhode Island.....	205,175	205,175	—
South Carolina.....	1,552,490	1,535,692	16,798
South Dakota.....	241,927	225,870	16,057
Tennessee.....	1,840,929	1,797,536	43,343
Texas.....	3,516,239	3,516,239	—
Utah.....	322,312	318,286	4,026
Vermont.....	148,563	148,563	—
Virginia.....	1,494,769	1,453,216	41,553
Washington.....	679,624	641,600	38,024
West Virginia.....	1,131,379	1,107,591	23,788
Wisconsin.....	1,159,648	921,223	238,425
Wyoming.....	93,466	93,466	—
Alaska.....	11,648	11,648	—
Hawaii.....	89,302	72,205	17,097
Puerto Rico.....	2,112,044	2,112,044	—
Virgin Islands.....	37,006	37,006	—
Total.....	58,800,000	56,017,212	2,782,788

(60 Stat. 230)

Dated: July 23, 1948.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.[F. R. Doc. 48-6802; Filed, July 28, 1948;
8:46 a. m.]TITLE 8—ALIENS AND
NATIONALITY

Chapter I—Immigration and Naturalization Service, Department of Justice

PART 116—CIVIL AIR NAVIGATION

ENTRY AND CLEARANCE

* The second sentence of paragraph (c) of § 6.4, *Entry and clearance*, of Title 19, Code of Federal Regulations, such section being also designated as § 116.4 of Title 8 and § 71.504 of Title 42, is further amended to read as follows: "Clearance is not required of aircraft not carrying passengers for hire or merchandise, but such aircraft are subject to certain requirements under the export and import licensing regulations of the Department of State relating to international traffic in arms."

NOTE: Information regarding requirements relating to the licensing for export and import of articles defined as arms, ammunition and implements of war may be obtained at any customhouse. Also, see travel control regulations in 8 CFR, Part 175, which prohibit in some cases the departure of persons from the United States and are enforced by immigration officers.

Compliance with the provisions of section 4 of the Administrative Procedure Act (5 U. S. C. 1003) with respect to notice and public procedure thereon is found to be unnecessary because this regulation is amended to conform with existing requirements of the Department of State. The delayed effective date requirements of said section 4 are dispensed with for the same reason, and, therefore, this document shall become effective on the date of its publication in the FEDERAL REGISTER.

(R. S. 161, 251, sec. 644; 46 Stat. 761, sec. 7, 44 Stat. 572, secs. 367, 602, 58 Stat. 706, 712, sec. 23, 39 Stat. 892, sec. 24, 43 Stat. 166; 5 U. S. C. 22, 19 U. S. C. 66,

1644, 49 U. S. C. 177, 42 U. S. C. Sup. IV, 201 note, 270, 8 U. S. C. 102, 222; sec. 1, President's Reorg. Plan No. V; 5 F. R. 2132, 2223; sec. 102, Reorg. Plan No. 3 of 1946; 11 F. R. 7875)

Dated: July 23, 1948, at Washington, D. C.

[SEAL] W. R. JOHNSON,
Acting Commissioner of Customs.
A. L. M. WIGGINS,
Acting Secretary of the Treasury.
OSCAR R. EWING,
Federal Security Administrator
T. VINCENT QUINN,
Acting Attorney General.
LEONARD A. SCHEELE,
Surgeon General,
U. S. Public Health Service.

[F. R. Doc. 48-6807; Filed, July 28, 1948;
8:49 a. m.]

Chapter II—Office of Alien Property,
Department of Justice

PART 501—GENERAL RULES OF PROCEDURE

FILINGS OF DEBT CLAIMS BY DEPOSITORS OF
YOKOHAMA SPECIE BANK, LTD., HONOLULU BRANCH

Part 501 is hereby amended by addition of § 501.5-1, as set out below.

§ 501.5-1 *Filing of debt claims by depositors of Yokohama Specie Bank, Ltd., Honolulu Branch.* Notices of Claim for Return of Property heretofore filed by depositors of the Yokohama Specie Bank, Ltd., Honolulu Branch, in respect of principal and interest accruing to the date of the closing of said bank on December 7, 1941, shall be considered as including Notices of Claim for Payment of Debt under section 34 of the Trading with the Enemy Act covering interest accruing subsequent to the closing of said bank. Releases and receipts executed by such claimants on account of return orders issued in connection with their Notices of Claim for Return of Property shall not be a bar to the allowance of their debt claims for post-closing interest in the event the Attorney General subsequently determines that such post-closing interest is payable. The foregoing shall not be construed as a present determination by the Attorney General as to the validity of such debt claims. (40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp. E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 3 CFR, 1946 Supp.)

Executed at Washington, D. C., this 23d day of July 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6828; Filed, July 28, 1948;
8:51 a. m.]

TITLE 15—COMMERCE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Office of International Trade

[Third General Revision of Export Regulations]

PART 399—POSITIVE LIST OF COMMODITIES
AND RELATED MATTERS

Correction

In Federal Register Document 48-6434, appearing at page 4090 of the issue for Saturday, July 17, 1948, §§ 395.1 to 395.3, inclusive, should read §§ 399.1 to 399.3, inclusive.

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs,
Department of the Treasury

PART 6—AIR COMMERCE REGULATIONS

ENTRY AND CLEARANCE

CROSS REFERENCE: For an amendment to the second sentence of paragraph (c) of § 6.4, see Title 8, Chapter I, Part 116, *supra*.

[T. D. 51084]

PART 22—DRAWBACK

PROCEDURE

Section 22.27, Customs Regulations of 1943 (19 CFR, Cum. Supp., 22.27), as amended by T. D. 51154 (9 F. R. 14275), is further amended by deleting the parenthetical citation at the end of paragraph (d) and by adding a new paragraph (e) reading as follows:

§ 22.27 *Procedure.* * * *

(e) No supplemental sworn schedule or supplemental advisory sworn schedule shall be required under § 22.4 (p) and (q) unless the percentage of alcohol used or appearing in a medicinal preparation or flavoring extract covered by a previously approved schedule varies by more than 5 percent from the quantity of alcohol specified in the approved schedule, but the manufacturer shall furnish the collector with a written explanation of each such variation and specify the date it went into effect.

(Sec. 313, 46 Stat. 693, secs. 402, 403, 49 Stat. 1960, sec. 624, 46 Stat. 759; 19 U. S. C. 1313, 1624)

[SEAL] W. R. JOHNSON,
Acting Commissioner of Customs.

Approved: July 22, 1948.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.
[F. R. Doc. 48-6805; Filed, July 28, 1948;
8:48 a. m.]

[T. D. 51083]

PART 23—ENFORCEMENT OF CUSTOMS AND
NAVIGATION LAWS

REMISSION OR MITIGATION BY COLLECTORS

Section 23.25, Customs Regulations of 1943 (19 CFR, Cum. Supp., 23.25), as

amended, is further amended by redesignating paragraph (c) and (d) and by inserting a new paragraph (c) to read as follows:

§ 23.25 Remission or mitigation by collectors. * * *

(c) When any imported spirituous, vinous, malted, or other fermented liquor has become subject to forfeiture for non-compliance with section 240 of the Criminal Code, as amended (18 U. S. C. 390) and the United States attorney has advised the collector that there is not sufficient evidence of intent to violate the law to warrant prosecution under the criminal provisions of said section 240, the forfeiture incurred is hereby remitted pursuant to the authority of section 618, Tariff Act of 1930, upon the condition that the expenses of seizure, if any, shall be paid.

(Sec. 3, 44 Stat. 1382, R. S. 251, secs. 624, 643, 46 Stat. 759, 761; 5 U. S. C. 281b, 19 U. S. C. 66, 1624, 1643)

[SEAL] W. R. JOHNSON,
Acting Commissioner of Customs.

Approved: July 22, 1948,

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 48-6806; Filed, July 28, 1948;
8:48 a. m.]

TITLE 24—HOUSING CREDIT

Chapter VI—Public Housing Administration

PART 631—WAR HOUSING PROGRAM; POLICY

RENTAL AND OCCUPANCY

Section 631.2 *Rental and occupancy.* (12 F. R. 687) is hereby amended, effective July 16, 1948, by revision of the last sentence as follows: "Families of servicemen and veterans of World War II may, when warranted by family income, have their rents adjusted at admission or any time subsequent thereto, but not below the established minimum rent."

(54 Stat. 1125; 42 U. S. C. 1521)

H. L. WOOTEN,
Acting Commissioner.

JULY 22, 1948.

[F. R. Doc. 48-6767; Filed, July 28, 1948;
8:54 a. m.]

Chapter VII—Housing and Home Finance Agency

PART 703—PUBLIC WAR HOUSING DISPOSITION OF FEDERALLY-OWNED PERMANENT WAR HOUSING

Part 703, Public War Housing, is amended in the following respects:

1. Section 703.55 is amended to read as follows:

§ 703.55 *Preferred purchasers, general.* Whenever feasible, dwellings shall be offered for sale to persons who intend to occupy the dwellings (or to groups, including corporations, composed of such persons) with preference to veterans as hereinafter provided, prior to their being offered for sale to purchasers for investment purposes. Such persons in-

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tending to occupy the dwellings shall be treated as preferred purchasers under §§ 703.51 to 703.66, inclusive. A person who desires to purchase a multi-family dwelling containing no more than 4 dwelling units and who intends to occupy one of the units shall be deemed to be a preferred purchaser. Preferred purchasers shall be given an opportunity to purchase the dwellings at fixed prices determined, with the cooperation of the Federal Housing Administration, on competent appraisal on the basis of the long-term value of the dwelling (including the land, appurtenances, utilities and facilities allocated thereto), except that, whenever the preferred purchaser is a veteran buying a dwelling containing not more than 4 family dwelling units, the purchase price shall not exceed the apportioned cost of such dwelling and of the land and appurtenances allocated thereto; together with the apportioned share of the cost of all utilities and other facilities provided for and common to the project of which such dwelling is a part.

2. The date "January 1, 1950," appearing in paragraph (e) of § 703.59, is hereby amended to read "January 1, 1951,"

3. Paragraph (c) of § 703.64 is amended to read as follows:

§ 703.64 Exceptions. * * *

(c) *Waivers.* In any case where the Public Housing Administration believes that compliance with any provisions of §§ 703.51 to 703.66, inclusive, would result in an exceptional and unreasonable hardship to any person or would be contrary to the public interest, the facts concerning such case shall be presented to the Administrator for determination as to whether such provisions should be modified or waived. Any instrument of conveyance by the Administrator (or a person authorized by him) stating that it is executed under §§ 703.51 to 703.66, inclusive, shall be conclusive evidence of compliance therewith insofar as any title or other interest in the property is concerned.

(54 Stat. 872, 883, as amended, 54 Stat. 1125, as amended, 55 Stat. 14, 55 Stat. 197, 198, 55 Stat. 810, 818, 59 Stat. 613; 42 U. S. C. Sup. 1521, 5 U. S. C. Sup. 133y; Reorg. Plan No. 3 of 1947, 12 F. R. 4981)

Issued this 29th day of July 1948.

RAYMOND M. FOLEY,
Administrator.

[F. R. Doc. 48-6766; Filed, July 28, 1948;
8:54 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter XIV—War Contracts Price Adjustment Board

PART 1603—DETERMINATION OF RENEGOTIABLE BUSINESS AND COSTS

SUBPART H—COSTS ALLOCABLE AND ALLOWABLE AGAINST RENEGOTIABLE BUSINESS

Section 1603.383-3 *Renegotiation rebate of the Renegotiation Regulations* is amended in the following described manner:

1. The first sentence of paragraph (b) (1) is deleted and in lieu thereof the following sentences are inserted:

(b) *Definitions.*—(1) *Additional amortization deduction.* The term "additional amortization deduction" as used herein means the amount of additional amortization deduction allocable to the fiscal year for purposes of the gross renegotiation rebate determined in accordance with the provisions of paragraph (d) (2) of this section. Usually such amount will be the excess of the amortization deduction finally allowed upon recomputation under section 124 (d) of the Internal Revenue Code for such fiscal year (or allocable to such fiscal year as in those cases falling within the purview of paragraphs (d) (2) (iii) of this section) over the amount of amortization or depreciation upon the basis of which the amortization or depreciation attributable to contracts with the Departments and subcontracts was allowed as a cost in the determination of excessive profits to be eliminated for such fiscal year. * * *

2. After the words "War Contracts Board" appearing in paragraph (c) (5), the following parenthetical phrase is inserted: "(or its duly authorized representative)"

3. After the words "Determination of amount of additional amortization" appearing in the caption to paragraph (d) (2) and before the period at the end of such caption, the following italicized words are inserted: "*deduction allocable to the fiscal year*"

4. After the words "total recomputed amortization deduction allowable for the fiscal year" appearing in the second sentence of paragraph (d) (2) (i) the following words are inserted: "for Federal tax purposes."

5. The first sentence of paragraph (d) (2) (ii) is deleted, and in lieu thereof the following sentence is inserted: "Generally, as in those cases in which statutory renegotiation was conducted on an over-all fiscal year basis and the accounting basis upon which statutory renegotiations was conducted is the same as that upon which contractor's Federal tax returns were filed, the additional amortization deduction will be the excess of the total recomputed amortization deduction over the amount of amortization or depreciation charged to total production, i. e. total cost of doing business (both renegotiable and non-renegotiable) in the renegotiation for the fiscal year."

6. Paragraph (d) (2) (iii) is deleted in its entirety and the following subdivision (iii) is substituted in lieu thereof:

(iii) The foregoing general rule should, to the extent that its application reflects the amount of the additional amortization deduction properly allocable to the fiscal year or period on the basis of the accounting methods or practices employed in statutory renegotiation, be employed in each case. In certain cases, however, because of different accounting methods or practices employed in statutory renegotiation with respect to the amounts allowed as deductions for amortization under section 124 of the Internal Revenue Code or with respect to the basis or period employed for writing off the cost of emergency facilities or by reason of special methods

of allocation of the amortization deductions, allowances for amortization deductions have been made in statutory renegotiation in a greater amount or on a different basis from that allowed or employed for Federal tax purposes upon recomputation of the amortization deduction for one or more fiscal years or periods for which contractor's contracts and subcontracts were renegotiated. In such cases, in determining the amount of additional amortization allocable to a fiscal year or period for purposes of the gross renegotiation rebate, the War Contracts Board (or its duly authorized representative) shall take into consideration such factors and make such allocation of the additional amortization allowed for Federal tax purposes upon recomputation pursuant to section 124 (d) of the Internal Revenue Code as may be determined to be necessary to reflect material differences in the basis employed for the write-off of the cost of emergency facilities or to adjust for an amount allowed as an amortization deduction under section 124 of the Internal Revenue Code in statutory renegotiation in excess of the amount of the amortization deduction finally allowed for Federal tax purposes for a prior or subsequent fiscal year or period for which contractor's contracts and subcontracts were renegotiated. In making such allocation, consideration shall be given to the benefit received by reason of the employment of such different basis of write-off of the cost of emergency facilities or the allowance of the greater amount of amortization deduction in the determination of excessive profits for such other fiscal years or periods.

7. After the words "War Contracts Board" appearing in the fourth sentence of paragraph (j) (4) the following parenthetical phrase is inserted: "(or its duly authorized representative)"

8. After the words "War Contracts Board" appearing in the sixth sentence of paragraph (d) (4) the following parenthetical phrase is inserted: "(or its duly authorized representative)"

9. After the words "War Contracts Board" appearing in the second sentence of paragraph (d) (5) the following parenthetical phrase is inserted: "(or its duly authorized representative)"

10. After the words "War Contracts Board" appearing in the second sentence of paragraph (d) (6) the following parenthetical phrase is inserted: "(or its duly authorized representative)"

NATHAN BASS,
Secretary.

[F. R. Doc. 48-6829; Filed, July 28, 1948;
8:52 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 202—ANCHORAGE REGULATIONS

SPECIAL ANCHORAGE AREA IN NIAGARA RIVER AT YOUNGSTOWN, N. Y.

Pursuant to the provisions of section 2 of the act of Congress approved April 22,

1940 (54 Stat. 150; 33 U. S. C. 258) § 202.1 (b) is hereby amended by the addition thereto, preceding the subparagraph relating to San Luis Obispo, California, of a subparagraph designating an area in Niagara River at Youngstown, New York, as a special anchorage area wherein vessels not more than 65 feet in length, when at anchor, shall not be required to carry or exhibit anchor lights, as follows:

§ 202.1 Special anchorage areas. * * *

(b) The areas hereinafter described are designated as special anchorage areas. (All bearings are referred to true meridian.)

* * * NIAGARA RIVER, YOUNGSTOWN, N. Y.

Beginning at the intersection of the north line of Lockport Street extended with the east shore line of Niagara River; thence westerly along the north line of Lockport Street extended, 600 feet; thence southerly along a line perpendicular to the north line of Lockport Street extended, approximately 1,920 feet, to the south line of Elliot Street extended; thence easterly along the south line of Elliot Street extended, 400 feet; thence northerly, along a line parallel to the riverward limit of the area, to the south line of Church Street extended; thence easterly along the south line of Church Street extended, approximately 200 feet, to the east shore line of Niagara River; thence northerly along the shore line, approximately 1,350 feet, to the point of beginning; excepting therefrom a rectangular area 300 feet long and extending 150 feet riverward of the east shore line bordering on the property of the Village of Youngstown approximately midway between Church and Lockport Streets extended. This area is designated as a special anchorage area subject to the condition that such buoys as may be prescribed by the United States Coast Guard to mark the area shall be provided and maintained by and at the expense of local interests.

[Regs. 7 July 48, CE 800.212 (Niagara River, N. Y.)—ENGWR.] (54 Stat. 150; 33 U. S. C. 258)

[SEAL] EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 48-6803; Filed, July 28, 1948;
8:48 a. m.]

TITLE 34—NAVY

Chapter I—Department of the Navy

PART 3—TABULATION OF EXECUTIVE ORDERS, PROCLAMATIONS, AND PUBLIC LAND ORDERS APPLICABLE TO THE NAVY

CALIFORNIA

CROSS REFERENCE: For order affecting the tabulation contained in § 3.6, see Public Land Order 500 in the Appendix to Chapter I of Title 43, *infra*, amending a portion of land description in Public Land Order 435, which order withdrew public lands in California for the use of the Department of the Navy for aviation purposes.

TITLE 36—PARKS AND FORESTS

Chapter II—Forest Service, Department of Agriculture

PART 201—NATIONAL FORESTS

CALIFORNIA, ARIZONA

CROSS REFERENCE: For orders affecting the tabulation contained in § 201.1, see

Federal Register Documents 48-6776, 48-6777 and 48-6778 under the Bureau of Land Management in the Notices section, *infra*, which open to disposition certain lands within the Klamath National Forest, California, the Tahoe National Forest, California, and the Conino National Forest, respectively.

• PART 261—TRESPASS

SAN JUAN NATIONAL FOREST; ORDER FOR THE REMOVAL OF TRESPASSING HORSES

Whereas a number of horses are trespassing and grazing on land on the Ryman, Black Snag, Mair, and Disappointment cattle and horse allotments, Glade District, San Juan National Forest, State of Colorado; and

Whereas these horses are consuming forage needed for permitted livestock, are causing extra expense to established permittees, and are injuring national forest lands;

Now, therefore, by virtue of the authority vested in the Secretary of Agriculture by the act of June 4, 1897 (30 Stat. 35; 16 U. S. C. 551), and the act of February 1, 1905 (33 Stat. 628; 16 U. S. C. 472) the following order for the occupancy, use, protection, and administration of land in the Ryman, Black Snag, Mair, and Disappointment Cattle and Horse allotments, Glade District, San Juan National Forest, is issued:

*Temporary closure from livestock grazing.*¹ (a) The Ryman, Black Snag, Mair, and Disappointment cattle and horse allotments, Glade District, San Juan National Forest, are hereby closed from August 1, 1948 to August 1, 1950, to the grazing of horses, excepting those that are lawfully grazing on or crossing land in such allotment pursuant to the regulations of the Secretary of Agriculture, or which are used in connection with operations authorized by such regulations, or used as riding, pack, or draft animals by persons traveling over such land.

(b) Officers of the United States Forest Service are hereby authorized to dispose of, in the most humane manner, all horses found trespassing or grazing in violation of this order.

(c) Public notice of intention to dispose of such horses shall be given by posting notices in public places or advertising in a newspaper of general circulation in the locality in which the San Juan National Forest is located.

Done at Washington, D. C., this 23d day of July 1948.

Witness my hand and the seal of the Department of Agriculture.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 48-6800; Filed, July 28, 1948;
8:46 a. m.]

¹ This affects tabulation contained in 36 CFR, § 261.60.

TITLE 39—POSTAL SERVICE**Chapter I—Post Office Department****PART 127—INTERNATIONAL POSTAL SERVICE:
POSTAGE RATES, SERVICE AVAILABLE AND
INSTRUCTIONS FOR MAILING****TREATMENT OF UNDELIVERABLE ARTICLES**

In Part 127, Title 39, Code of Federal Regulations, (13 F. R. 908), make the following change:

Amend § 127.46 *Undeliverable articles, treatment of*, of Subpart A, to read as follows:

§ 127.46 *Undeliverable articles, treatment of.* Undeliverable ordinary (un-registered) prints without value are not returned to origin unless the sender has requested their return by a notation placed on the article in a language known in the country of destination. Other ordinary articles and all registered articles must always be returned.

For detailed instructions regarding the treatment and marking of undeliverable articles, see section 2227, Postal Laws and Regulations, 1940. (R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 48-6770; Filed, July 28, 1948;
8:55 a. m.]

**PART 127—INTERNATIONAL POSTAL SERVICE:
POSTAGE RATES, SERVICE AVAILABLE, AND
INSTRUCTIONS FOR MAILING****DELIVERY OF INSURED, REGISTERED, AND
C. O. D. MAIL, AND CHARGE FOR RESTRICTION
BY ADDRESSEE**

In § 127.100 *General information and instructions*, of Subpart C, (13 F. R. 924) make the following change: Amend paragraph (e) to read as follows:

(e) *Delivery of insured, registered, and c. o. d. mail and charge for restriction by addressee.* Such mail from foreign countries shall be delivered in accordance with the domestic registry delivery regulations; a receipt shall be taken and filed as a record of each transaction.

However, the addressee in this country may restrict delivery to himself, or to his order, of registered, insured, and collection-delivery mail of foreign origin upon payment of the additional fee of 20 cents prescribed in § 16.3 (b) of this chapter.

Registered Postal Union articles from foreign countries which are accompanied by a return receipt and bear the notation (underlined in red) "Deliver to addressee only," or a similar notation, shall be delivered only to the addressee. Two attempts must be made to deliver such articles. If delivery cannot be effected by the second attempt, the articles should be returned to the sender as undeliverable.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL]

J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 48-6768; Filed, July 28, 1948;
8:54 a. m.]

**PART 127—INTERNATIONAL POSTAL SERVICE:
POSTAGE RATES, SERVICE AVAILABLE, AND
INSTRUCTIONS FOR MAILING****PRINCIPAL EXCEPTIONS TO INDEMNITY**

In § 127.110 *Principal exceptions to indemnity*, of Subpart C (13 F. R. 929), make the following change: Amend paragraph (1) to read as follows:

(1) For an article or parcel seized by the customs.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 48-6769; Filed, July 28, 1948;
8:54 a. m.]

TITLE 42—PUBLIC HEALTH**Chapter I—Public Health Service,
Federal Security Agency****PART 71—FOREIGN QUARANTINE****ENTRY AND CLEARANCE**

CROSS REFERENCE: For an amendment to the second sentence of paragraph (c) of § 71.504, see Title 8, Chapter I, Part 116, *supra*.

**TITLE 43—PUBLIC LANDS:
INTERIOR****Chapter I—Bureau of Land Manage-
ment, Department of the Interior****PART 162—LIST OF ORDERS CREATING AND
MODIFYING GRAZING DISTRICTS OR
AFFECTING PUBLIC LANDS IN SUCH
DISTRICTS****NEVADA GRAZING DISTRICT NO. 5**

CROSS REFERENCE: For order affecting the tabulation contained in § 162.1, see Misc. 1661727 appearing under Bureau of Land Management in the Notices section, *infra*. This order adds certain described lands to Nevada Grazing District No. 5.

Appendix—Public Land Orders**[Public Land Order 600]****CALIFORNIA****AMENDING A PORTION OF LAND DESCRIPTION
IN PUBLIC LAND ORDER NO. 435 OF JAN. 12,
1948**

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

The description of land in sec. 23, T. 15 S., R. 16 E., San Bernardino Meridian, California, which, among other lands, was withdrawn by Public Land Order No. 435 of January 12, 1948, for the use of the Department of the Navy for aviation purposes, is hereby amended to read as follows:

Sec. 23, NE¼, that portion east of the East Highland Canal of the Imperial Irrigation District.

C. GIRARD DAVIDSON,

JULY 22, 1948:

Assistant Secretary of the Interior.

[F. R. Doc. 48-6775; Filed, July 28, 1948;
8:56 a. m.]

**Chapter II—Bureau of Reclamation,
Department of the Interior****PART 402—ANNUAL WATER CHARGES****RAPID VALLEY PROJECT, SOUTH DAKOTA**

CROSS REFERENCE: For additions to the tabulation contained in § 402.2, see Federal Register Documents 48-6771 and 48-6772, under Department of the Interior, Bureau of Reclamation, in the Notices section, *infra*.

TITLE 45—PUBLIC WELFARE**Chapter VI—Office of Vocational Re-
habilitation, Federal Security Agency****PART 600—PLANS AND PROGRAM OF
VOCATIONAL REHABILITATION**

Pursuant to the authority conferred by the Vocational Rehabilitation Act Amendments of 1943, Public Law 113, 78th Congress, 1st session, approved July 6, 1943, the following regulations are prescribed for the administration of the provisions of the said act, superseding the regulations issued on October 9, 1943 (8 F. R. 14158) . .

- | | | |
|--------|--|--------|
| Sec. | 600.1 | Terms. |
| 600.2 | State plan; general requirements. | |
| 600.3 | Submission of material. | |
| 600.4 | Responsibility and authority for administration. | |
| 600.5 | Custody of funds. | |
| 600.6 | Eligibility; general provisions. | |
| 600.7 | Eligibility; residence. | |
| 600.8 | Case diagnosis. | |
| 600.9 | Case finding. | |
| 600.10 | Recording of case data. | |
| 600.11 | Rehabilitation plan for the individual. | |
| 600.12 | Counseling and guidance. | |
| 600.13 | Confidential information. | |
| 600.14 | Scope of services. | |
| 600.15 | Placement. | |
| 600.16 | Economic need. | |
| 600.17 | Facilities. | |
| 600.18 | Standards for persons providing physical restoration services. | |
| 600.19 | Services; working arrangement. | |
| 600.20 | Classes of individuals to be rehabilitated. | |
| 600.21 | Personnel administration. | |
| 600.22 | Organization for administration. | |
| 600.23 | Program Director. | |
| 600.24 | Medical administrative consultant. | |
| 600.25 | Staff development. | |
| 600.26 | Fiscal. | |
| 600.27 | Submission of reports. | |
| 600.28 | Exclusion of capital expenditures for administration. | |
| 600.29 | Trainee cooperation. | |
| 600.30 | Maximum duration of training. | |
| 600.31 | Maximum fees for training. | |
| 600.32 | Maximum fees for physical restoration services, other than hospitalization and prosthetic devices, and for medical examinations. | |
| 600.33 | Maximum fees for hospitalization. | |
| 600.34 | Maximum fees for prosthetic devices. | |

- Sec.
600.35 Compensation schedule.
600.36 Maximum allowance; per diem or subsistence in connection with travel.
600.37 War-disabled civilians and civil employees of the United States disabled in the performance of their duty.
600.38 Federal reimbursement; general.
600.39 Federal reimbursement; rehabilitation services; war-disabled civilians.
600.40 Federal reimbursement; medical examinations.
600.41 Federal reimbursement; rehabilitation training.
600.42 Federal reimbursement; rehabilitation conditioned upon economic need.
600.43 Federal reimbursement for transportation of agency personnel actually providing rehabilitation services other than diagnosis, guidance, and placement.
600.44 Federal reimbursement; guidance and placement costs.
600.45 Federal reimbursement; transportation for guidance and placement purposes.
600.46 Federal reimbursement; personnel compensation.
600.47 Federal reimbursement; administration.
600.48 Federal reimbursement; purchase of goods, facilities, or services from other agencies of the State.
600.49 Federal reimbursement; administrative expense; insurance, taxes, etc.
600.50 Federal reimbursement; administrative expense; capital costs.
600.51 Federal reimbursement; effect of State rules.
600.52 State's interest in equipment and supplies; maintenance of equipment inventory.
600.53 Payments to States; estimates.
600.54 Payment to States; certification.
600.55 Payments to States; effect of certification.
600.56 Federal-State agreements with respect to facilities.
600.57 District of Columbia; plan.
600.58 Confidential information; Office of Vocational Rehabilitation, including the District of Columbia Rehabilitation Service.
600.59 Effect of the regulations of this part upon approved State plans and Federal requirements previously established.

AUTHORITY: §§ 600.1 to 600.59, inclusive, issued under sec. 7 (c), 57 Stat. 374; 29 U. S. C. 37 (c).

§ 600.1 *Terms.* Unless otherwise further indicated, the terms below listed are defined as follows:

(a) "Act" means the Vocational Rehabilitation Act, approved June 2, 1920, as amended by Public Law 113, approved July 6, 1943 (57 Stat. 374)

(b) "Administrator" means the Federal Security Administrator.

(c) "Agency for the blind" means the State commission for the blind or other agency administering that part of the plan under which vocational rehabilitation is provided the blind.

(d) "Blind" means persons who are blind within the meaning of the law of each State.

(e) "Customary occupational tools and equipment" means any tangible instrument, implement, or appliance which is required in utilizing or adapting the skills of a disabled individual for the efficient prosecution of a trade or calling

within his occupational objective and which is not large, expensive, complicated, or technical.

(f) "Director" means the Director of the Office of Vocational Rehabilitation in the Federal Security Agency, to whom the Administrator has delegated the primary responsibility for carrying out the act under section 7 (c) thereof, other than that which involves the rule-making power and the making of annual reports and recommendations to the Congress. Such delegation of powers, duties, and functions under this act is and shall remain subject to the right of the Administrator to resume or reassign at his discretion any or all of the delegated powers, duties, and functions.

(g) "Disabled individual" means an individual who has a physical or mental condition which materially limits, contributes to limiting, or if not corrected, will probably result in limiting the individual's performance of activities to the extent of constituting a substantial employment handicap, that is, preventing the individual from obtaining or retaining employment consistent with his capacities and abilities.

(h) "Inclusive per diem rates" means a per diem rate which includes:

(1) Bed and board in ordinary non-luxury accommodations, except when care in private or semi-private room is medically indicated;

(2) General nursing;

(3) Drugs and supplies;

(4) Casts;

(5) All other items of in-patient care for which the hospital made expenditures during the accounting period, including the use of operating rooms, laboratory, X-ray, anaesthesia, physical therapy, occupational therapy, and other services rendered by individuals who receive any remuneration (salaries, fees, commissions, or maintenance) from the hospital for such services.

(i) "Occupational license" means any license, permit, or other written authority, required by a State, city, or other governmental unit to be obtained in order to enter an occupation. Examples: Plumber, electrician, cosmetologist, embalmer, or optometrist.

(j) "Physical restoration services" means those medical and related services which are necessary to correct or substantially modify a physical or mental condition which is static and include: (1) General medical treatment; (2) specialist services in the field suitable to the specific medical problems; (3) nursing services; (4) hospitalization; (5) dentistry; (6) drugs and supplies; (7) prosthetic devices necessary to obtain or retain employment; (8) convalescent home care; and (9) medically indicated physical, occupational, and other rehabilitation therapy.

(k) "Prosthetic device" means any appliance designed to support or take the place of a part of the body or to increase the acuity of a sense organ.

(l) "Rehabilitation services" means any services, as included in section 3 of the act, necessary to render a disabled individual fit to engage in a remunerative occupation. Such services must be for the purpose of achieving in the in-

dividual case broader or more remunerative occupational skills and capacities or opportunities for employment: *Provided*, That such services involve as a prime objective compensation for a handicap which constitutes a departure from the normal and which materially impedes or would be likely materially to impede the client's occupational performance.

(m) "Rehabilitation training" means all training undertaken or made available by the State agency, directly or through public or private facilities, as a means of vocational rehabilitation. The term is construed to cover vocational, prevocational, and personal adjustment training.

(n) "State" means the several States, Puerto Rico, and the Territories of Alaska and Hawaii.

(o) "State agency" or "agency" means the State board or the agency for the blind as defined herein.

(p) "State board" means the State board of vocational education.

(q) "Static" is descriptive of the clinical status of a relatively permanent physical or mental condition which must be relatively stable or slowly progressive. The term is used in the act to exclude acute mental or physical conditions of recent origin which may be transitory or which may eventually become permanent, but whose outcome has not been established as constituting an employment handicap. This limitation applies only to the provision of physical restoration services. Treatment is not contemplated for acute conditions such as pneumonia or recent fractures, but a slowly progressive condition such as glaucoma may be treated without awaiting its ultimate development with resulting blindness.

(r) "Transportation" and "travel" are in view of Federal reimbursement provisions, differentiated as transportation (1) of agency personnel for purposes of administration, diagnosis, guidance, or placement; (2) of a client or other individual for purposes of diagnosis, guidance, or placement; or (3) of a client, agency personnel, or other individual incident to rehabilitation services other than diagnosis, guidance, or placement. Transportation costs include as incidental thereto subsistence or per diem in lieu of subsistence.

(s) "War disabled civilian", as defined in section 10 of the act, means:

(1) Any civilian (except a person who is paid by the United States, or any department, agency, or instrumentality thereof, for services as a civilian defense worker) disabled while serving at any time after December 6, 1941, and prior to the termination of the present war as declared by Presidential proclamation or concurrent resolution of the Congress; (i) In the Aircraft Warning Service; or (ii) as a member of the Civil Air Patrol; or (iii) as a member, in accordance with regulations prescribed by the Director of the Office of Civilian Defense, of the United States Citizens Defense Corps in the protective services engaged in civilian defense, as such protective services are established from time to time by regulations or order of such Director; or (iv) as a registered trainee taking training

in accordance with regulations prescribed by such Director for such protective services; and

(2) Any civilian disabled while serving at any time after December 6, 1941, and prior to the termination of the present war as declared by Presidential proclamation or concurrent resolution of the Congress, as an officer or member of the crew of a vessel owned or chartered by the Maritime Commission, or the War Shipping Administration, or operated under charter from such Commission or Administration; but no individual shall be considered to be a war-disabled civilian unless he is disabled as a result of disease or injury or aggravation of a pre-existing disease or injury, incurred in line of duty during such period, not due to his own misconduct.

§ 600.2 State plan; general requirements. (a) The basic condition to the certification of Federal funds is a State plan for vocational rehabilitation approved as meeting Federal requirements under the act. The plan shall constitute a description of the State's vocational rehabilitation program and shall be in effect uniformly throughout the State. Consideration of its approvability will be conditioned on compliance with the requirements hereinafter stated with respect to the content of the plan.

The Director shall not approve any plan which he determines to be infeasible or which contains such restrictions with respect to the expenditure of funds which would substantially increase the cost of vocational rehabilitation or seriously impair the effectiveness of the plan.

The plan shall be amended whenever necessary to reflect changes in any material phase of State law, organization, policy, or methods, it being understood that initial approval of the plan cannot waive this requirement. When a State agency desires to make a change in the plan such change shall be submitted to the Office of Vocational Rehabilitation for approval before it is put into effect, or within a reasonable time thereafter.

(b) The State plan may include a separate part applicable to the blind, as hereinafter provided for, containing all required information, including all policies specifically applying to the administration of the program for the vocational rehabilitation of the blind.

§ 600.3 Submission of material. The plan, and all amendments thereto, shall be transmitted to the Office of Vocational Rehabilitation with a statement, over the signature of the duly authorized officer of the State board, indicating the date of its adoption, the effective date, and the fulfillment of any conditions necessary to its operation. If a part of the plan is administered by an agency for the blind, that part of the plan, or amendments thereto, shall, in addition, be accompanied by a statement, over the signature of the duly authorized officer of the agency for the blind, indicating the date of its adoption, the effective date, and the fulfillment of any conditions necessary to its operation.

This requirement with respect to the submission of plan materials affecting the agency for the blind, and the requirement with respect to the transmis-

sion of reports affecting the agency for the blind, as set forth in § 600.4 (b), may be met by including in the State plan an agreement between the State board and the agency for the blind which will provide that plan materials and reports transmitted to the Office of Vocational Rehabilitation by the agency for the blind will be of the same effect as though transmitted by the State board, if (a) copies of such plan materials and reports are simultaneously furnished to the State board, (b) such plan materials and reports indicate that copies have been furnished to the State board; and (c) within a specified period after the transmission of such materials and duly authorized representative of the State board has not advised the Director that for any reason the State board does not concur in such material.

The duly authorized representative of the State agency for the submission of plan materials and reports shall be designated in the State plan, and may be the officer responsible for the day-to-day operation of the program.

The plan shall further indicate the extent to which the duly authorized representative may act for the State agency in approving plan material.

§ 600.4 Responsibility and authority for administration. (a) The State plan shall designate the State Board of Vocational Education as the sole agency for the administration, supervision, and control of the plan, except that an agency for the blind, so authorized by State law, shall administer that part of the plan which provides for vocational rehabilitation of the blind.

(b) The State plan shall provide that the State board will assume responsibility for statistical and financial reports containing estimates of expenditures, accounting for Federal funds, and the furnishing of other information to meet Federal requirements found necessary by the Director, including the transmission of such reports from the agency for the blind.

(c) In any State which, by law, has established a Rehabilitation Commission prior to the enactment of the act with authority to provide rehabilitation services to disabled individuals, the State board may delegate to such Commission all or any part of the operation of the State plan, under a written agreement of cooperation approved by the Director.

(d) The State plan shall set forth the authority of the State board and agency for the blind, and the legal basis for administration of the program. In this connection the State plan shall include copies of all laws pertinent to the administration of the vocational rehabilitation program. Such copies shall be certified as true copies of the State laws as enacted. Such certification may be made either by an officer of the State agency or by the State official ordinarily making such certification.

§ 600.5 Custody of funds. The State plan shall provide that the State treasurer, or officer exercising similar functions for the State, will receive and provide for custody of all funds paid to the State under the act subject to require-

tion or disbursement thereof by the State agency for plan purposes.

§ 600.6 Eligibility; general provisions. (a) The State plan shall provide that, except as otherwise specifically indicated herein with respect to war-disabled civilians and civil employees of the United States disabled while in the performance of their duty, the State Agency will assume responsibility for determination as to the eligibility of individuals for vocational rehabilitation, and as to the nature and scope of rehabilitation services to be provided to such individuals, and that this responsibility will not be delegated to any other agency or individual not of the State agency staff.

(b) The State plan shall provide that eligibility for vocational rehabilitation be determined on the basis of two established criteria: (1) The existence of a physical or mental disability, and (2) a substantial employment handicap resulting from such disability. The State plan shall also indicate the criteria which will be utilized in determining the client's eligibility for specific rehabilitation services.

(c) The State plan shall provide that the State agency will observe the principle that sex, race, or color do not justify inequality in the determination of eligibility and the provision of necessary rehabilitation services.

§ 600.7 Eligibility; residence. While the Federal act does not require the establishment of any residence requirement as a condition of eligibility for vocational rehabilitation, if the State has established such a requirement, the State plan shall indicate the nature of such requirement.

§ 600.8 Case diagnosis. The State plan shall indicate the standards and methods of case diagnosis. The case diagnosis shall constitute a comprehensive study of the client and shall include a medical as well as a vocational diagnosis.

(a) **Medical diagnosis and evaluation.** As a basis for the determination of eligibility and formulation of the individual's rehabilitation plan, the State plan shall provide for competent medical diagnosis, including a general medical examination in every case, and, where reasonably necessary to a decision in doubtful cases, a diagnosis shall, if at all practicable, be secured from a recognized specialist in the specific field indicated by the general medical diagnosis. The diagnosis shall be accompanied by recommendations as to the means and methods of restoration, and by a statement of any physical or mental limitations that may exist.

(b) **Vocational diagnosis.** The State plan shall provide that the vocational diagnosis in each case will be based on pertinent information, including the client's health and physical status, intelligence, educational background and achievements, vocational aptitudes and interests, employment experience and opportunities, and personal and social adjustment. The methods of the vocational diagnosis shall include (1) counseling interviews with the client; (2) such reports as may be needed, including when

necessary in the individual case, reports from schools, employers, social agencies, and others; and (3) psychological information substantiating the determination of eligibility where such eligibility is based on the existence of mental retardation.

§ 600.9 Case finding. The State plan shall describe provisions made for the finding and intake of cases, and shall provide for the establishment of relationships with public and private agencies through which referrals of cases may be made.

§ 600.10 Recording of case data. The State plan shall provide that the State Agency will maintain a record for each case which will include pertinent case information including, as a minimum, the basis for determination of eligibility, the basis justifying the plan of services, and the reason for closing each case together with a justification of the closure.

§ 600.11 Rehabilitation plan for the individual. (a) The State plan shall provide that the State agency will formulate an individual plan of rehabilitation for each eligible client to whom rehabilitation services are to be furnished. This individual plan of rehabilitation shall set forth the services necessary to accomplish the client's vocational rehabilitation, the way in which these services will be provided, and the rehabilitation objective of the individual. The individual plan of rehabilitation shall be formulated on the basis of an evaluation of all data secured through the case diagnosis.

(b) The State plan shall provide that the individual plan of rehabilitation will be formulated with the client's participation and approval. Such plan shall provide for all rehabilitation services necessary to the accomplishment of the client's vocational rehabilitation.

(c) The State plan shall provide that the basic conditions to the undertaking of the individual plan of rehabilitation shall be (1) the belief of the agency that when concluded it will satisfactorily achieve the individual's vocational rehabilitation; and (2) that all services to be provided will be carried to completion: *Provided, however* That the State agency shall exercise its discretion in relation to the termination or revision of the individual's plan when for any reason it becomes evident that the above underlying conditions will not be met.

§ 600.12 Counseling and guidance. The State plan shall provide for systematic and adequate counseling for the benefit of each client from acceptance to completion of all services included in the individual plan. The State plan shall provide assurance that adequate reports will be obtained at reasonable intervals from training and other service agencies as to the progress of the rehabilitation services in each case.

§ 600.13 Confidential information. The State plan shall provide that the State agency will adopt such regulations as are necessary to assure that:

(a) All information as to personal facts given or made available to the State

agency, its representatives, or employees, in the course of the administration of the vocational rehabilitation program, including lists of names and addresses and records of agency evaluation, shall be held to be confidential.

(b) The use of such information and records shall be limited to purposes directly connected with the administration of the vocational rehabilitation program and may not be disclosed, directly or indirectly, other than in the administration thereof, unless the consent of the client to such release has been obtained either expressly or by necessary implication. Release of information to employers in connection with the placement of the rehabilitation client may be considered as release of information in connection with the administration of the rehabilitation program. Such information may, however, be released to welfare agencies or programs from which the client has requested certain services under circumstances from which his consent may be presumed, provided such agencies have adopted regulations which will assure that the information will be held confidential and can assure that the information will be used only for the purposes for which it is provided.

(c) All such information is the property of the State agency and may be used only in accordance with the State agency's regulations.

The State plan shall further provide that the State agency will adopt such procedures and standards as are necessary to:

(1) Give effect to its regulations;

(2) Assure that all rehabilitation clients and interested persons will be informed as to the confidentiality of rehabilitation information;

(3) Assure the adoption of such office practices and the availability of such office facilities and equipment as will assure the adequate protection of the confidentiality of such records.

§ 600.14 Scope of services. The State plan shall provide that all necessary vocational rehabilitation services, including counseling, physical restoration, training and placement, will be made available to eligible disabled individuals to the extent necessary to achieve vocational rehabilitation.

§ 600.15 Placement. The State plan shall provide that the State agency will assume responsibility for placement of all eligible disabled individuals receiving rehabilitation services. The State plan shall also provide for a reasonable period of post-placement follow-up to insure that employment has been successfully effected.

§ 600.16 Economic need. In those cases where the State agency desires to request Federal reimbursement for one half of the necessary costs of the services listed in section 3 (a) (3) of the act, the State plan shall indicate that prior to the provision of such services to rehabilitation clients the economic need of such clients with respect thereto shall be established.

If the State plan so provides, it shall set forth the policies and methods to be followed in the establishment of the

client's economic need, shall set forth the standards and methods of determining the amount of financial supplementation that may be required to meet the costs of such services, and provide that such standards will be uniformly applied.

If the State plan so provides, it shall indicate that in determining the economic circumstances of individuals, the State agency will take into account all consequential resources available to the individual, however derived, including any benefit to which the individual may be entitled by way of pension, compensation, or insurance, services in kind, or remuneration in the case of on-the-job training; provided, however, that general policies may be established setting out a reasonable amount of capital assets, including property, cash and liquid assets not constituting current income, which may be disregarded.

With respect to war-disabled civilians and civil employees of the United States disabled while in the performance of duty, the State agency shall not make economic need a condition of eligibility for any rehabilitation service other than maintenance.

§ 600.17 Facilities. The State plan shall set forth the types of facilities which will be used in providing rehabilitation services to eligible disabled persons, and shall set forth the standards by which the State agency assures that the facilities selected are those which offer services of a high quality. Such standards shall relate to hospitals and other facilities for medical treatment and related services, and also to training facilities. With respect to specialized training facilities such as those providing tutorial, on-the-job, and personal adjustment training, the standards shall be implemented by appropriate methods for determining that the facility has competent instructors, adequate instructional equipment, and a well-organized instructional schedule.

§ 600.18 Standards for persons providing physical restoration services. The State plan shall set forth the standards established by the State agency for the selection of persons who provide physical restoration services. The State plan shall indicate that (a) medical diagnosis and medical treatment will be provided only by physicians who are licensed to practice medicine and surgery, and are otherwise qualified by training and experience to perform the specific services required; and (b) dental diagnosis, and dental treatment will be provided only by dentists who are licensed to practice dental surgery and are otherwise qualified by training and experience to perform the specific dental service required. The State plan shall provide that the State agency will determine which of the services required by an individual are specialty services, and that services determined to be specialty services will be rendered only by physicians found by the State agency to be specialists qualified to perform the particular specialty service required. The standards on the basis of which the State agency will approve physicians for the performance of specialty services shall also be included in the State plan.

§ 600.19 *Services; working arrangement.* The State plan shall provide that the State agency will cooperate with other Federal and State agencies providing vocational rehabilitation or similar services.

§ 600.20 *Classes of individuals to be rehabilitated.* The State plan shall provide that rehabilitation services thereunder will be made available only to such classes of disabled individuals who through such rehabilitation services may be made employable or more suitably employable. Individuals who are severely disabled or home-bound are not excluded.

§ 600.21 *Personnel administration.* The State plan shall set forth such selection and appointment policies and methods as are necessary to insure the selection and appointment of qualified personnel, and such promotion policies and methods as are necessary to insure that no individual will be promoted unless he possesses all the qualifications required for the higher position. The State plan shall set forth for each position minimum qualifications, including minimum standards of training and experience, consistent with the duties and responsibilities of the position. The State plan shall provide that no permanent employee engaged in the day-to-day administration of the program will be separated except for cause, or for reasons of curtailment of work or lack of funds, and, that in the event of separation, permanent employees shall have the right of appeal through an established procedure and opportunity for a fair hearing. The State plan shall contain a provision that participation in political activity of any personnel employed in the day-to-day administration of the program shall be prohibited, except that an employee shall, of course, have the right to express his views as a citizen and to cast his vote. The Director will exercise no authority with respect to the selection, method of selection, tenure of office or compensation of any individual employed in accordance with the provisions of an approved State plan.

§ 600.22 *Organization for administration.* The State plan shall describe the organizational structure of the State agency, including descriptions of organizational units in the vocational rehabilitation program, the functions assigned to each, and the relationships among units; and shall include job descriptions setting forth the duties and responsibilities of each position. The organizational structure shall provide for all the functions for which the State agency is responsible, and for clear lines of administrative and supervisory authority, shall be suited to the size of the program and the geographic areas in which the program must operate, and shall indicate where the responsibility for counseling rehabilitation clients is placed. The State plan shall also describe methods of administration which will provide for the coordination and integration of activities, adequate controls over operations, channels for the development and interpretation of policies and standards, and effective supervision of staff. The organizational structure and the methods

of administration shall facilitate program operations, and shall insure the provision of all necessary rehabilitation services to rehabilitation clients.

§ 600.23 *Program director.* The State plan shall provide that the Director of Vocational Rehabilitation or other named official having primary responsibility for the direction of the administration of the vocational rehabilitation program of the State board shall be required to devote his full time and efforts to the vocational rehabilitation program.

§ 600.24 *Medical administrative consultant.* The State plan shall provide that the State agency will secure the services of a medical administrative consultant on a full or part time basis who shall possess the following qualifications:

Graduation from a school of medicine approved by the Council on Medical Education and Hospitals of the American Medical Association; licensed to practice medicine and surgery in the State; and at least three years of resident or graduate training or experience in a medical field appropriate to physical restoration. The State plan shall provide that the medical administrative consultant will perform the following duties: Advise the program Director with regard to the development and application of physical restoration policies and standards; advise the program Director on the maintenance of standards of physical restoration services; assist in representing the State agency in its contacts with the medical and associated professions; assist in the training of rehabilitation case work staff with regard to physical restoration standards, policies, and services, and provide consultation at regular, frequent intervals on individual cases and specific medical problems.

§ 600.25 *Staff development.* The State plan shall describe the State agency's program of staff development. This program shall provide for the training of the agency personnel in providing a high quality of rehabilitation services to individuals, and include as a minimum, induction, orientation, and in-service training.

If the staff development program includes leaves of absence for specialized institutional training for professional personnel, the State plan shall specify the policies for granting such educational leave.

§ 600.26 *Fiscal.* The State plan shall set forth all policies and methods pertinent to the fiscal administration and control of the vocational rehabilitation program, including sources of agency funds, incurrence and payment of obligations, disbursements, accounting and auditing.

§ 600.27 *Submission of reports.* The act provides that in order to be approved the State plan shall provide that the State board will make such reports, in such form and containing such information as the Federal Director may from time to time require, and comply with such provisions as he may from time to time find necessary to assure the correctness and verification of such reports.

The State plan shall provide that the State board will make to the Director such statistical, fiscal, or other reports at such time and in such form as the Director may prescribe.

Reports under this provision will include statistical, fiscal, and operating reports. Such reports will include written reports, fiscal accounts and schedules, inspection of agency records, releases, and procedures, and oral reports where in the discretion of the Director such form of reporting is essential to an understanding of any important situation or the disposition of any material issue arising in the course of the Federal-State relationship, whether or not a hearing has been scheduled as provided in section 4 of the act.

For reporting purposes the State plan shall provide for the maintenance at the State level of such accounts and supporting documents as will serve to permit an accurate and expeditious determination to be made at any time of the status of the Federal grants, including the disposition of all moneys received and the nature and amount of all charges claimed to lie against the respective Federal authorization.

Any failure, refusal, or undue delay of the State agency with respect to the above provisions is included among the causes for the invocation of the procedures and sanctions specified in section 4 of the act.

§ 600.28 *Exclusion of capital expenditures for administration.* The State plan shall provide that no portion of any money paid to the State under the act will be applied, directly or indirectly, to the purchase, preservation, erection or repair of any building or buildings, or for the purchase or rental of any land, for administrative purposes.

§ 600.29 *Trainee cooperation.* The State plan shall contain such provisions as are necessary to secure good conduct, regular attendance, and the cooperation of trainees.

§ 600.30 *Maximum duration of training.* The State plan shall provide that the rehabilitation training provided in an individual case will be limited to the amount of such training necessary to fit the client for his vocational objective.

§ 600.31 *Maximum fees for training.* The State plan shall set forth the maximum fees which will be paid to training facilities for various types of training. This requirement may be met by providing in the State plan that in no case will the amount paid a training facility exceed the rate published by that facility for the type of training purchased, or that, in the case of facilities that do not have published rates, the amount paid the facility will not exceed the amount paid to the facility by other public agencies for similar services. In the event that facilities are utilized which have no published rates, or from which other public agencies do not purchase similar services, the State plan shall set forth the maximum fees for various types of training which may be paid such facilities. The State plan shall further pro-

vide that the State agency will maintain such information as is necessary to justify the rates of payments made to training facilities.

§ 600.32 *Maximum fees for physical restoration services, other than hospitalization and prosthetic devices, and for medical examinations.* The State plan shall provide that the State agency will establish a fee schedule indicating the maximum payments which may be made for physical restoration services and medical examinations, other than hospitalization and prosthetic devices, which maximum fees so established shall not exceed those paid by other public agencies operating in the State for such services or examinations.

The State plan shall provide that when medical personnel or facilities located in another State are utilized, the rates of payment of the vocational rehabilitation agency of the other State will be observed.

The State plan shall further provide that the State agency will maintain such information as is necessary to justify the rates of payment made for such physical restoration services and medical examinations.

§ 600.33 *Maximum fees for hospitalization.* The State plan shall provide that payments made for days of hospital care shall be made at inclusive per diem rates, as defined in the regulations in this part, and shall not exceed the average per diem cost for hospitalization as computed by the reimbursable cost method as promulgated by the Federal Director.

The State plan shall indicate the basis on which the State agency will determine the reasonable cost of such items as blood donors, X-rays, anesthesia, appliance, casts, drugs, and supplies, not purchased or provided by the hospital, and for which the hospital has made no expenditures during the accounting period, and, therefore, are not covered by the inclusive rates.

§ 600.34 *Maximum fees for prosthetic devices.* The State plan shall set forth the maximum fees to be paid for prosthetic devices. This requirement may be met by providing in the State plan that in no case will the amount paid for prosthetic devices exceed the published rates for such devices, or, if there are no such published rates, the amount paid for such devices shall not exceed the amount generally paid by other public agencies operating in the State for such devices.

The State plan shall further provide that the State agency will maintain such information as is necessary to justify the rates of payment made for prosthetic devices.

§ 600.35 *Compensation schedule.* The State plan shall include a compensation schedule for all positions in the rehabilitation program. The compensation schedule shall include for each position a salary range, consisting of a starting salary, periodic increments, and maximum salary. In fixing the rates in the compensation schedule the State agency shall be guided by the duties, responsibilities, and qualifications required of the position and the salaries paid for com-

parable positions in other agencies in the State.

If the State agency wishes to provide for the employment of qualified technical consultants on a per diem or contract basis, the State plan shall contain provisions to that effect.

§ 600.36 *Maximum allowance; per diem or subsistence in connection with travel.* The State plan shall set forth maximum allowances for subsistence or per diem in lieu of subsistence, and maximum mileage rates in case of travel in a privately owned automobile. This requirement may be met by providing that all such expenditures will be made in accordance with applicable State regulations. In the absence or inapplicability of such State regulations, the State plan shall set forth maximum allowances which will be made for such expenditures.

The State plan shall provide for appropriate authorization of all official travel by a duly constituted State agency official.

The State plan shall provide that official travel will not be allowed for expenses within the official station of the officer or employee, except that necessary transportation expenses (other than between home and office and place of duty) may be allowed specified employees when authorized in the State plan.

§ 600.37 *War-disabled civilians and civil employees of the United States disabled in the performance of their duty.* The State plan shall provide that the State agency will accept for vocational rehabilitation under the State plan any eligible individual certified by the Federal Director as a war-disabled civilian or civil employee of the United States disabled in the performance of his duty, who is a resident of the State or who chooses the State as and for his residence. In the case of any issue arising in relation to the residence of either of these groups, final determination of the issue in the individual case rests with the Director in order that no failure of opportunity for such service may occur in such case.

With respect to individuals so certified, the State plan shall provide that all necessary rehabilitation services, other than maintenance, will be made available without consideration of the individual's financial need.

For the purpose of certifying to the respective State or to the District of Columbia Rehabilitation Service the names of war disabled civilians, the Director is authorized to accept the certification of the respective offices or agencies who at the time of such certification controlled one or more of the functions or activities mentioned in section 10 of the act, as to the fact that the particular individual was at the time of the origin of the alleged disablement a member in good standing of one of the groups or services referred to therein.

§ 600.38 *Federal reimbursement; general.* The State plan shall indicate the categories of expenditures for which the State agency will request Federal reimbursement under the act and the regulations in this part.

§ 600.39 *Federal reimbursement; rehabilitation services; war-disabled civilians.* Without regard to the limitations as to the amount of Federal reimbursement for the cost of rehabilitation services contained elsewhere in the regulations in this part, Federal reimbursement will be available for 100 percent of the necessary cost of providing rehabilitation services under the State plan to individuals certified by the Director as war-disabled civilians.

§ 600.40 *Federal reimbursement; medical examinations.* Federal reimbursement will be available for one half of the necessary cost under the State plan for medical examinations provided to determine eligibility for vocational rehabilitation, the nature of the rehabilitation services required, or occupational limitations, including necessary hospitalization in connection with medical diagnosis in no individual case to exceed ten days. Days of hospitalization required for diagnostic purposes are not considered as part of the hospitalization provided for in § 600.42.

§ 600.41 *Federal reimbursement; rehabilitation training.* Federal reimbursement will be available for one half of the necessary cost of rehabilitation training provided eligible rehabilitation clients under the State plan.

§ 600.42 *Federal reimbursement; rehabilitation conditioned upon economic need.* Federal reimbursement will be available for one half of the necessary cost under the State plan of providing the following rehabilitation services to eligible rehabilitation clients found to require financial assistance with respect thereto, after full consideration of the eligibility of such individuals for any similar benefit by way of pension, compensation, or insurance:

(a) Physical restoration services, except that hospitalization in no case shall exceed 90 days. This 90 day limitation shall be applied to the treatment of the disabilities existing at the time physical restoration is undertaken. Federal funds are available for reimbursement for an additional 90 days of hospitalization for the same client, only if treatment is undertaken to correct a new disability arising subsequent to the hospitalization for the original disability.

(b) Transportation of rehabilitation clients incidental to the provision of rehabilitation services specified in this section or to rehabilitation training, including transportation of other individuals when necessary to assist or accompany the client incidental to the provision of rehabilitation services specified in this section or to the provision of rehabilitation training.

(c) Occupational licenses.

(d) Customary occupational tools and equipment provided to rehabilitation clients for their own use.

(e) Maintenance while other rehabilitation services are actually being provided, except that expenditures for maintenance in connection with the placement of rehabilitation clients will not be considered as necessary, if made after the client begins to receive remuneration for his employment or, in the

case of clients placed in self-employment, after thirty days from the time the client is so placed. Maintenance may include amounts to cover the cost of short periods of medical care for acute conditions arising in the course of rehabilitation, which, if not cared for, would constitute a hazard to the achievement of the rehabilitation objective: *Provided*, The State agency has assumed in its State plan the responsibility for such care.

(f) Necessary books and other training material.

§ 600.43 *Federal reimbursement for transportation of agency personnel actually providing rehabilitation services other than diagnosis, guidance, and placement.* Reimbursement will be available for one half of the necessary costs of transportation of agency personnel actually providing rehabilitation services other than diagnosis, guidance, and placement to eligible rehabilitation clients under the State plan.

§ 600.44 *Federal reimbursement; guidance and placement costs.* Federal reimbursement will be available for 100 percent of necessary expenditures incurred under the State plan in providing guidance and placement to disabled individuals in connection with the provision of vocational rehabilitation services.

§ 600.45 *Federal reimbursement; transportation for guidance and placement purposes.* Necessary costs under the State plan for travel of State agency personnel or other individuals in connection with the diagnosis, guidance, or placement of disabled individuals, will be 100 percent reimbursable; likewise, the necessary cost of travel under the State plan for rehabilitation clients in connection with their diagnosis, guidance, or placement, or of individuals, not of the State agency staff, where necessary to assist or accompany the client for such purpose, will be 100 percent reimbursable.

§ 600.46 *Federal reimbursement; personnel compensation.* Federal reimbursement will be available for necessary expenditures for personnel compensation made in accordance with the State plan. The rate of Federal reimbursement for such expenditures will be that specified in the act for the function, duty, or service for which the compensation is paid.

§ 600.47 *Federal reimbursement; administration.* Federal reimbursement will be available for 100 percent of the necessary costs of administration of the State plan, except that reimbursement for expenditures for administration during the fiscal year may not exceed 15 percent of the total Federal reimbursement for expenditures for all authorized plan purposes during such fiscal year. Administration includes program planning, development, and control; information service; personnel administration; use of advisory committees; staff development, including educational leave; and transportation or travel in connection with any of the items considered as administration.

All administrative functions for which Federal reimbursement is claimed must be subject to the administrative or supervisory control of the State agency, or, if performed by some other agency of the State, must be subject to such terms of a cooperative arrangement as will serve to assure consistency with the State agency's policies and objectives.

§ 600.48 *Federal reimbursement; purchase of goods, facilities, or services from other agencies of the State.* Funds granted under the act may be used to pay the costs incurred by other agencies of the State furnishing goods, facilities, or services to the State agency: *Provided*,

(a) Such payments are permissible under State law.

(b) Such costs are incurred to meet the needs of the State agency and are not costs attributable to the general expense of the State in carrying out the overall, coordinating, fiscal and administrative functions of the State Government; and

(c) Such costs are extra, identifiable, and readily ascertainable either by segregation, or as a prorata share of the cost of such goods, facilities, or services.

For example, expenditures for services made by a State merit system or civil service agency are reimbursable as necessary administrative expenditures provided it has been determined that the expenditures are necessary in order to carry out the provisions of the State plan as to the qualification of personnel for appointment, the establishment and maintenance of personnel standards, and other aspects of the administration of the State plan, and are ascertainable either by segregation, or as a prorata share of the cost of such services. Such services as the studies of State department organization, statistical or procedural studies, or other activities connected with the overall administration and supervision of a department of State Government are not subject to reimbursement from Federal funds.

§ 600.49 *Federal reimbursement; administrative expense; insurance, taxes, etc.* (a) In general, Federal funds will not be available to reimburse the State for insurance coverage except workmen's compensation, burglary, robbery and fire insurance, if permitted by the State, and reasonably necessary to protect funds in the custody of State agency personnel or in transit, motor vehicle liability costs where the State accepts responsibility for such loss, and in such other special cases of unusual risk as are determined necessary. The State will be expected to adopt reasonable safeguards to assure the continued availability of all property acquired for the purposes of the State plan. In cases where insurance is authorized, the State may act as self-insurer. In case of loss not covered by insurance, replacement cost will be taken into consideration in computing the Federal grant.

(b) The Director will consider as necessary for the proper and efficient administration of the State plan the inclusion in the total cost of supplies and equipment, of the payment of such Federal, State and local taxes as the State is legally obligated to pay, provided all com-

parable agencies in the State are uniformly treated.

§ 600.50 *Federal reimbursement; administrative expense; capital costs.* The provision contained in § 600.28 is directed against the use of Federal funds to reimburse the State agency by reason of capital expenditures of the type listed for administrative purposes. The provision, however, does not preclude Federal reimbursement of expenditures for reasonable rental, actually paid by the State for office space needed and used for administrative purposes, provided such rental does not involve capitalization of the cost of repairs or structural alterations other than would be involved in the payment of any rent computed on a long-term cost basis. Moreover, the provision does not preclude Federal reimbursement for expenditures representing the cost of necessary redecoration or of installing such tenant alterations, fixtures, and equipment as are found essential to the use of space for the purposes of the State plan.

§ 600.51 *Federal reimbursement; effect of State rules.* Except as specifically stated in the act and in the regulations in this part, State laws, rules and regulations, and standards governing expenditures by State agencies, not inconsistent with any Federal requirement, will control the expenditure of available funds.

§ 600.52 *State's interest in equipment and supplies; maintenance of equipment inventory.* All items purchased with Federal funds are to be used only for the purposes for which funds may be allowed and the right, title, and interest of the State therein shall be deemed only that which is essential to their use and disposition for program purposes. The State agency shall maintain a complete equipment inventory.

§ 600.53 *Payments to States; estimates.* Prior to the beginning of each fiscal quarter or other period indicated by the Director, the State board shall submit estimates in the nature of budgets appropriately documented and supported. Such budgets or estimates shall be broken down in terms of expenses for administration, vocational guidance and placement, and the rehabilitation of war-disabled civilians or other individuals; and shall indicate the anticipated expenditures of the State board and agency for the blind for the purpose in question during the ensuing period. Supporting documents shall include (a) a certificate of the appropriate State financial officer showing the amounts of State funds available to the State agency and compliance with any conditions upon the use of such funds, and (b) a statement with supporting data indicating the probable scope of the program during the period including the number of accepted cases, applications, and anticipated applications, the classifications and nature thereof within the knowledge of the State agency, and any further information tending to support the State's claim. The Director may in his discretion require submission of budgets for other specified periods as and when reasonably reliable estimates for such periods can be formulated.

§ 600.54 *Payment to States; certification.* The Director will, upon the basis of such estimates and supporting documents and the approved State plan, certify the amounts he determines to be appropriate and necessary for the period in question to the Secretary of the Treasury for payment to the State in accordance with such arrangements respecting the time and the methods as may be arranged with the Secretary of the Treasury. In making any such certification, such additions and subtractions will be made as the State's accounting for any prior period and audit thereof may indicate as necessary in the process of balancing the Federal-State account for any such prior period. Adjustments by way of deductions may, in the discretion of the Director, be made in connection with any certification or payment being made to the particular State, regardless of the fact that the circumstances giving rise to such deduction involved a phase of the program unrelated to the purposes of the particular certification. The State will be required to make transfers and adjustments to discharge its accountability to the Federal Government.

§ 600.55 *Payments to States; effect of certification.* (a) Neither the approval of the State plan nor any certification of funds or payment to the State pursuant thereto shall be deemed to waive the right or duty of the Administrator or Director to withhold funds by reason of the failure of the State to observe, before or after such administrative action, any Federal requirement.

(b) The final amount to be certified for any period is determinable on the basis of State expenditures for authorized purposes with respect to which Federal reimbursement or participation is authorized. The State assumes absolute responsibility for the initial application of Federal funds to authorized plan purposes, since the criteria used in computing the State's claim are independent of any hazard, irregularity, or other circumstance or occurrence which may render the Federal part or any part thereof paid to the State treasurer or other designated official unavailable for the purposes of the plan.

(c) *Earned interest:* Interest earned on grants made under the act shall be duly credited to the principal of the grant. All such earnings of interest shall be duly reported. If no interest is earned, such fact shall be reported.

(d) *Collections:* Any amount refunded or repaid to the State shall be credited to the Federal account in proportion to the Federal participation in the expenditures by reason of which such refunds or repayments were made.

§ 600.56 *Federal-State agreements with respect to facilities.* Pursuant to section 5 of the act, the Director is authorized to enter into agreements with two or more States to provide needed special facilities and services.

To facilitate effective application of this provision, the Director will issue to State agencies information and requirements with respect to procedures to be followed by them in order to justify and

secure the establishment of such facilities and services.

§ 600.57 *District of Columbia; plan.* All operations within the District of Columbia pursuant to the act will be administered by the Division of the Federal Office of Vocational Rehabilitation known as the District of Columbia Rehabilitation Service. All applicable provisions of the regulations in this part, including the formulation by the Service and submission for approval of a plan for the District, will govern the operations of the Service. The Service will assume responsibilities with respect to providing rehabilitation services for resident war-disabled civilians and employees of the United States disabled while in the performance of duty equivalent to those of the respective States.

§ 600.58 *Confidential information; Office of Vocational Rehabilitation, including the District of Columbia Rehabilitation Service.* (a) All information as to personal facts given or made available to the Office of Vocational Rehabilitation, including the District of Columbia Rehabilitation Service, its representatives or employees, in the course of the administration of the vocational rehabilitation program shall be held confidential.

(b) The use of such information and records shall be limited to purposes directly connected with the administration of the vocational rehabilitation program and may not be disclosed, directly or indirectly, other than in the administration thereof, unless the consent of the client to such release has been obtained either expressly or by necessary implication. Such information may, however, be released, in accordance with such standards as the Director may find necessary, to welfare agencies or programs from which the client has requested certain services under circumstances from which his consent may be presumed.

(c) All such confidential information and records are the property of the Office of Vocational Rehabilitation and are to be used only in accordance with the regulations in this part.

(d) The Director is authorized to establish or approve such procedures and standards as may be required:

(1) To effectuate this section;

(2) To assure that all rehabilitation clients and interested persons will be informed as to the confidentiality of rehabilitation information, and that a copy of this section will be made available to them; and

(3) To assure the adoption of such office practices and the availability of such office facilities and equipment as will assure the adequate protection of the confidentiality of such records.

§ 600.59 *Effect of the regulations in this part upon approved State plans and Federal requirements previously established.* Insofar as they are not inconsistent with the act and the regulations in this part, State plans approved pursuant to the regulations issued by the Administrator under date of October 9, 1943 (8 F. R. 14158) shall be of the same force and effect and subject to the same

conditions as though approved pursuant to the regulations in this part. Waiver of compliance with any requirements contained in the regulations in this part which are different from or in addition to those previously established by or under regulations, may be permitted by the Director for a period not in excess of three years from the effective date of the regulations in this part.

All requirements as to content of State plans heretofore established are superseded by the regulations in this part. All requirements and standards heretofore established with respect to Federal reimbursement inconsistent with the regulations in this part are superseded to the extent of such inconsistency.

J. DONALD KINGSLEY,
Acting Administrator.

[F. R. Doc. 48-6810; Filed, July 28, 1948;
9:02 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter Q—Alaska Commercial Fisheries

PART 205—ALASKA PENINSULA AREA FISHERIES

PART 210—RESURRECTION BAY AREA FISHERIES

PART 211—PRINCE WILLIAM SOUND AREA FISHERIES

MISCELLANEOUS AMENDMENTS

Basis and purposes. As a result of investigations by field personnel of the Fish and Wildlife Service it has been determined that Dushkin Lagoon is not a spawning area and that fishing therein will enable full utilization of the resource and will not be harmful to the runs of salmon in Volcano Bay. Furthermore, it has been determined by field biologists that the herring population of the Prince William Sound—Resurrection Bay region is of larger size and composed of older age fish than was anticipated and therefore can yield without injury an additional 30,000 barrels to the commercial fishery. Accordingly, to reopen Dushkin Lagoon to salmon fishing and to increase the herring catch limitation in the Resurrection Bay and Prince William Sound Areas, §§ 205.18 (d), 210.16, and 211.14 are hereby amended as follows:

1. Paragraph (d) of § 205.18 is amended to read as follows:

§ 205.18 *Waters closed to salmon fishing.* All commercial fishing for salmon is prohibited as follows:

* * * * *

(d) *Volcano Bay and Bear Bay.* (1) All waters north of a line extending from a point at 55 degrees 13 minutes 30 seconds north latitude, 162 degrees 1 minute 18 seconds west longitude, to a point at 55 degrees 13 minutes 55 seconds north latitude, 161 degrees 58 minutes 4 seconds west longitude; and (2) all waters west of a line extending from a point at 55 degrees 11 minutes 24 seconds north latitude, 161 degrees 59 minutes 48 seconds west longitude, to a point at 55 degrees 10 minutes north latitude, 161 de-

grees 53 minutes 18 seconds west longitude.

2. Section 210.16, *Herring catch limitations, June 15 to August 20*, is hereby amended by deleting therefrom "150,000 barrels" and substituting in lieu thereof "180,000 barrels"

3. Section 211.14, *Herring catch limitations, June 15 to August 20*, is hereby amended by deleting therefrom "150,000

barrels" and substituting in lieu thereof "180,000 barrels"

4. Amending § 205.18 (d) will reopen Dushkin Lagoon to salmon fishing during the open season for the entire area which closes August 12 and since the quota of 150,000 barrels of herring in the Prince William Sound—Resurrection Bay region has almost been reached, it is therefore imperative that these changes be-

come effective immediately upon publication in the FEDERAL REGISTER, and it is so ordered.

WILLIAM E. WARNE,
Assistant Secretary of the Interior.

JULY 23, 1948.

[F. R. Doc. 48-6773; Filed, July 23, 1948; 8:55 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Bureau of Internal Revenue

[26 CFR, Part 29]

INCOME TAX; RETURNS OF INDIVIDUALS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority of section 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C., 62)

[SEAL] GEO. J. SCHOENEMAN,
Commissioner of Internal Revenue.

Section 29.51-2 of Regulations 111, as amended by Treasury Decision 5425, approved December 29, 1944 (26 CFR 29.51-2) is further amended as follows:

(A) By changing "December 31, 1943" appearing in the heading of paragraph (b) and elsewhere in such paragraph to read "December 31, 1943, and prior to January 1, 1948"

(B) By adding at the end of such § 29.51-2 the following new paragraph:

§ 29.51-2 *Form of return.* * * *

(c) *Taxable years beginning after December 31, 1947*—(1) *General.* For taxable years beginning after December 31, 1947, the return shall be on Form 1040, except in the case of a taxpayer entitled to elect, and who so elects, to use the Form 1040A in accordance with the rules prescribed in paragraph (c) (2) of this section. A taxpayer, even though entitled to use Form 1040A for the taxable year may, nevertheless, use Form 1040 as his return. Such taxpayer otherwise entitled to use Form 1040A as his return for the taxable year but who does not desire to take the standard deduction provided in section 23 (aa) is required to use Form 1040 as his return for such taxable year. The provisions of paragraph (a) of this section insofar as they apply to the time and manner of making a return on Form 1040 are equally applicable

to taxable years beginning after December 31, 1947.

(2) *Use of optional return on Form 1040A, in general.* For taxable years beginning after December 31, 1947, an individual entitled to elect to pay the tax imposed by Supplement T (except a taxpayer making his returns on a fiscal year basis) may at his election use as his return Form 1040A provided his gross income is less than \$5,000, consists entirely of remuneration for personal services performed by him as an employee, dividends, or interest, and his gross income from sources other than wages, as defined in section 1621 (a) does not exceed \$100. A taxpayer who makes his return on a basis other than the cash receipts and disbursements basis may not use Form 1040A as his return. A taxpayer who has made payments of estimated tax for a taxable year may not use Form 1040A as his return for such year. In the case of married persons domiciled in a community property State, Form 1040A may not be used as a return by either spouse unless the aggregate gross income of husband and wife meets the tests prescribed above and they make a joint return. If they desire to file separate returns, Form 1040 must be used.

An election to make a return on Form 1040A shall be exercised by properly executing and filing such form, to which shall be attached all Forms W-2 received for the taxable year, with the collector on or before the due date of the taxpayer's return. Such Form 1040A, when filled out and executed and having attached thereto all Forms W-2 received with respect to wages paid in the taxable year, shall, when timely filed, constitute such individual's return for such year if he is eligible under section 51 (f) to use the optional return.

(3) *Joint return of husband and wife on Form 1040A.* If during the taxable year either husband or wife, or both, derive income from wages, as defined in section 1621 (a) and are furnished one or more Forms W-2, and the aggregate gross income of both spouses is less than \$5,000, consists solely of remuneration for services performed as an employee, dividends, or interest, and includes a total of not more than \$100 from dividends, interest, and remuneration for personal services other than such wages, the spouses may file a joint return on Form 1040A signed by both spouses, and all Forms W-2 received by both spouses for the taxable year should be attached thereto.

The tax computed by the collector upon the basis of a joint return on Form 1040A shall be the lesser of the following amounts:

- (i) A tax computed as though the return on Form 1040A constituted the separate returns of the spouses, and
- (ii) A tax computed as though the return on Form 1040A constituted a joint return.

If a joint return is made by husband and wife on Form 1040A, the liability for the tax shall be joint and several.

[F. R. Doc. 48-6393; Filed, July 23, 1948; 8:49 a. m.]

[26 CFR, Part 29]

DISTRIBUTIONS BY PERSONAL HOLDING COMPANIES

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued on the authority contained in section 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C. 62).

[SEAL] GEO. J. SCHOENEMAN,
Commissioner of Internal Revenue.

In order to conform Regulations 111 (26 CFR Part 29) relating to the income tax, to Public Law 113 (80th Congress) approved June 25, 1947, relating to distributions by personal holding companies, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately preceding § 29.115-1 the following:

PUBLIC LAW 113 (EIGHTIETH CONGRESS, FIRST SESSION), APPROVED JUNE 25, 1947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 115 (a) of the Internal Revenue Code is amended to read as

follows: "In the case of a corporation which, under the law applicable to the taxable year in which the distribution is made, is a personal holding company, or which, for the taxable year in respect of which the distribution is made under section 504 (c) or section 506 or a corresponding provision of a prior income-tax law, is a personal holding company under the law applicable to such taxable year, such term also means any distribution (whether or not a dividend as defined in the preceding sentence) to its shareholders, whether in money or in other property, to the extent of its subchapter A net income, less the sum of the following:

"(1) The net operating loss credit provided in section 26 (c) (1);

"(2) The dividend carry-over provided in section 27 (c); and

"(3) The deduction for amounts for retirement of indebtedness provided in section 504 (b)."

SEC. 2. The amendment made by section 1 shall be effective for all taxable years beginning after December 31, 1943.

SEC. 3. No interest shall be allowed or paid in respect of any overpayment of tax resulting from the foregoing amendment.

PAR. 2. Section 29.115-1, as amended by Treasury Decision 5377, approved June 6, 1944, is amended as follows:

(A) By striking out the second paragraph and inserting in lieu thereof the following:

§ 29.115-1 Dividends. * * *

In the case of a corporation which, under the law applicable to the taxable year in which a distribution is made, is a personal holding company or which, for the taxable year in respect of which a distribution is made under section 504 (c), relating to dividends paid within 2½ months after the close of the taxable year, or section 506, relating to deficiency dividends, or corresponding provisions of a prior income-tax law, was under the applicable law a personal holding company, the term "dividend", in addition to the meaning set forth in the first sentence of section 115 (a) also means the following distributions to its shareholders:

(1) A distribution within a taxable year of the corporation, and of a shareholder, both of which taxable years begin prior to January 1, 1944, is a dividend (except as hereinafter indicated) to the extent of the corporation's subchapter A net income for the taxable year in which, or, in the case of a distribution under section 504 (c) or section 506, the taxable year in respect of which, the distribution is made.

(2) A distribution within a taxable year of the corporation, or of a shareholder, where either taxable year begins after December 31, 1943, is a dividend to the extent of the corporation's subchapter A net income less the sum of the net operating loss credit provided in section 26 (c) (1) the dividend carry-over provided in section 27 (c) and the deduction for amounts for retirement of indebtedness provided in section 504 (b) for the

taxable year in which, or, in the case of a distribution under section 504 (c) or section 506, the taxable year in respect of which, the distribution is made. Thus, in the case of a distribution in April, 1944, by a corporation reporting on a calendar year basis to a shareholder reporting on the basis of a fiscal year ending June 30, 1944, the taxable year of the corporation begins after December 31, 1943, and the April, 1944, distribution is a dividend, in the case of the corporation and the shareholder alike, only to the extent of the corporation's subchapter A net income reduced by the specified credits. Similarly, in the case of a distribution in April, 1944, by a corporation reporting on the basis of a fiscal year ending June 30, 1944, to a shareholder reporting on the calendar year basis, the taxable year of the shareholder begins after December 31, 1943, and the April, 1944, distribution will constitute a dividend, in the case of the corporation and the shareholder alike, only to the extent of the corporation's subchapter A net income reduced by the specified credits.

No interest shall be allowed or paid in respect of any overpayment of tax resulting from the amendment to section 115 (a) made by Public Law 113 (80th Congress) For treatment of any distribution made prior to October 21, 1942, which is a dividend solely by reason of the last sentence of section 115 (a) prior to its amendment by Public Law 113, see § 29.504-3.

The term "dividend" does not include distributions under section 115 (c) relating to distributions in liquidation, section 115 (e) relating to distributions by personal service corporations, or section 115 (f) relating to stock dividends, or certain distributions by insurance companies (see section 115 (a)). In all other cases the term includes any distribution to shareholders to the extent made out of accumulated or current earnings or profits.

(B) By striking out example (3) and inserting in lieu thereof the following:

Example (3). In 1944, a deficiency in personal holding company tax was established against the O Corporation for the taxable year 1940 in the amount of \$34,430 based on an undistributed subchapter A net income of \$42,000 which consisted of a subchapter A net income of \$52,000 minus a deduction of \$10,000 for amounts used for retirement of indebtedness provided in section 504 (b). The O Corporation complied with the provisions of section 506 and in December 1944 distributed \$42,000 to its stockholders as "deficiency dividends." The distribution of \$42,000 is a taxable dividend since it does not exceed \$42,000 (subchapter A net income of \$52,000 for 1940, the taxable year with respect to which the distribution was made, minus the deduction for retirement of indebtedness of \$10,000). It is immaterial whether the O Corporation is a personal holding company for the taxable year 1944 or whether it had any income for that year.

Example (4). At the beginning of the taxable year 1946, the P Corporation, a per-

sonal holding company, had a deficit in earnings and profits of \$200,000. During that year it made earnings and profits of \$55,000. For that year, however, it had a subchapter A net income of \$100,000, a net operating loss credit under section 26 (c) (1) of \$10,000 and a deduction for retirement of indebtedness under section 504 (b) of \$10,000. During such taxable year it distributed to its shareholders \$100,000. The distribution of \$100,000 is a taxable dividend to the extent of \$80,000 (subchapter A net income of \$100,000 minus the net operating loss credit of \$10,000 and the deduction for retirement of indebtedness of \$10,000). No interest shall be allowed or paid in respect of any overpayment of tax resulting from the inclusion in taxable income by any shareholder of his proportionate share of the distribution of \$100,000.

Example (5). If the facts were the same as in example (4) except that the P Corporation had earnings and profits for the taxable year 1946 of \$90,000, the distribution of \$100,000 would be a taxable dividend to the extent of \$90,000 since its earnings and profits for that year, \$90,000, exceeds \$80,000 (chapter A net income of \$100,000 minus the net operating loss credit of \$10,000 and the deduction for retirement of indebtedness of \$10,000).

PAR. 3. Section 29.27 (1)-1, as amended by Treasury Decision 5453, approved June 15, 1945, is amended by striking out examples (1) and (2) and inserting in lieu thereof the following examples:

§ 29.27 (1)-1 Nontaxable distributions. * * *

Example (1). A, B, and C are shareholders of the Y Corporation, a personal holding company, which makes its returns on the basis of a fiscal year ending July 31. A is an educational corporation exempt from income tax under section 101. On July 15, 1944, the Y Corporation distributed \$90,000 in cash to its shareholders, \$30,000 to each. The Y Corporation had a deficit in earnings and profits as of the beginning of its taxable year in the amount of \$200,000, but had a subchapter A net income for the taxable year in the amount of \$90,000. Its earnings and profits for the taxable year were only \$50,000. It was entitled under section 26 (c) (1) to a net operating loss credit of \$30,000. B makes his return on the calendar year basis, but C makes his return on the basis of a fiscal year ending July 31. Since B is subject to taxation under the income tax provisions of the Code with respect to taxable receipts realized in July 1944, and since his taxable year began after December 31, 1943, the \$30,000 distribution received by him from the Y Corporation will constitute a taxable dividend in his hands only to the extent of \$20,000, the amount of \$30,000 reduced by a proportionate part of the net operating loss credit. See § 29.115-1. The Y Corporation, accordingly, will be entitled to an allowance for dividends paid in the amount of \$60,000 with respect to the distribution on July 15.

Example (2). If the facts in the preceding example are the same, except that C makes his return on the calendar year basis, the Y Corporation is entitled to an allowance for dividends paid in the amount of \$70,000 with respect to the distribution on July 15.

[F. R. Doc. 48-6808; Filed, July 28, 1948; 8:49 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Misc. 19624]

CALIFORNIA

RESTORATION ORDER NO. 1245 UNDER FEDERAL POWER ACT

JULY 13, 1948.

Pursuant to the determination of the Federal Power Commission (DA-658, California) and in accordance with 43 CFR 4.275 (a) (16) (Departmental Order No. 2238 of August 16, 1946, 11 F. R. 9080), it is ordered as follows:

Subject to existing valid rights and the provisions of existing withdrawals, the following described lands, having been withdrawn for Power Site Reserve No. 258 and Power Project No. 74, are hereby opened to disposition under any applicable public land law, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1063) as amended by the act of August 26, 1935 (49 Stat. 846, 16 U. S. C. 818) and subject to the stipulation that, if and when the lands are required wholly or in part for purposes of power development, any structures, machinery, or improvements placed thereon which shall be found to interfere with such development shall be removed or relocated as may be necessary to eliminate interference with the power development without expense to the United States or its permittees or licensees:

HUMBOLDT MERIDIAN

T. 11 N., R. 6 E.,
Sec. 3, W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$,
Sec. 4, NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$,
and SE $\frac{1}{4}$ SE $\frac{1}{4}$.

The areas described aggregate 75 acres. The above-described lands are within the Klamath National Forest.

MARION CLAWSON,
Director

[F. R. Doc. 48-6776; Filed, July 28, 1948;
8:56 a. m.]

[Misc. 23012]

CALIFORNIA

RESTORATION ORDER NO. 1248 UNDER FEDERAL POWER ACT

JULY 13, 1948.

Pursuant to the determination of the Federal Power Commission (DA-665, California) and in accordance with 43 CFR 4.275 (a) (16) (Departmental Order No. 2238 of August 16, 1946, 11 F. R. 9080) it is ordered as follows:

The land hereinafter described, having been reserved for Power Project No. 187, is hereby opened to disposition under the public land laws, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1063) as amended by the act of August 26, 1935 (49 Stat. 846, 16 U. S. C. 818) and subject to valid existing rights-of-way, and to the stipulation that, if and when the

lands are required wholly or in part for purposes of power development, any structures, machinery, or improvements placed thereon which shall be found to interfere with such development shall be removed or relocated as may be necessary to eliminate interference with the power development without expense to the United States or its permittees or licensees:

MOUNT DIABLO MERIDIAN

T. 20 N., R. 11 E., sec. 25, E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$.
T. 20 N., R. 12 E., sec. 30, lot 5 (SW $\frac{1}{4}$ SW $\frac{1}{4}$).

The areas described aggregate 49.37 acres.

These lands are within the Tahoe National Forest.

MARION CLAWSON,
Director

[F. R. Doc. 48-6777; Filed, July 28, 1948;
8:57 a. m.]

[Misc. 29771]

ARIZONA

RESTORATION ORDER NO. 1254 UNDER FEDERAL POWER ACT

JULY 13, 1948.

Pursuant to the determination of the Federal Power Commission (DA-87, Arizona) and in accordance with 43 CFR 4.275 (a) (16) (Departmental Order No. 2238 of August 16, 1946, 11 F. R. 9080), it is ordered as follows:

Subject to existing valid rights and the provisions of existing withdrawals, the following described lands having been reserved for Water Power Designation No. 5 on February 9, 1917, are hereby restored to disposition under any applicable public land law, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1063) as amended by the act of August 26, 1935 (49 Stat. 846, 16 U. S. C. 818)

GILA AND SALT RIVER MERIDIAN

T. 17 N., R. 5 E.,
Sec. 24, S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$,
N $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, and NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$.

T. 17 N., R. 6 E.,
Sec. 19, SW $\frac{1}{4}$ NW $\frac{1}{4}$ of lot 3, W $\frac{1}{2}$ SW $\frac{1}{4}$ of lot 3, and NW $\frac{1}{4}$ NW $\frac{1}{4}$ of lot 4.

The areas described aggregate 40 acres.

These lands are within the Coconino National Forest.

MARION CLAWSON,
Director

[F. R. Doc. 48-6778; Filed, July 28, 1948;
8:57 a. m.]

[Misc. 23882]

CALIFORNIA

RESTORATION ORDER NO. 1255 UNDER FEDERAL POWER ACT

JULY 7, 1948.

Pursuant to the determination of the Federal Power Commission (DA-648,

California) and in accordance with 43 CFR 4.275 (a) (16) (Departmental Order No. 2238 of August 16, 1946, 11 F. R. 9080) it is ordered as follows:

Subject to valid existing rights and the provisions of existing withdrawals, the lands hereinafter described, having been withdrawn for Power Site Reserves Nos. 87 and 261 and Power Projects Nos. 284 and 593, are hereby restored for mining purposes only, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1063), as amended by the act of August 26, 1935 (49 Stat. 846, 16 U. S. C. 818) and subject to the stipulation that, if and when the lands are required wholly or in part for purposes of power development, any structures, machinery, or improvements placed thereon which shall be found to interfere with such development shall be removed or relocated as may be necessary to eliminate interference with the power development without expense to the United States or its permittees or licensees:

MOUNT DIABLO MERIDIAN

T. 6 N., R. 13 E., sec. 13, NE $\frac{1}{4}$ NE $\frac{1}{4}$, and S $\frac{1}{2}$.
T. 6 N., R. 14 E., sec. 18, S $\frac{1}{2}$ SE $\frac{1}{4}$.

The areas described aggregate 440 acres.

This order shall become effective at 10:00 a. m. on September 8, 1948.

ROSCOE E. BELL,
Assistant Director

[F. R. Doc. 48-6779; Filed, July 23, 1948;
8:57 a. m.]

[Misc. 32483]

CALIFORNIA

RESTORATION ORDER NO. 1258 UNDER FEDERAL POWER ACT

JULY 13, 1948.

Pursuant to the determination of the Federal Power Commission (DA-663, California) and in accordance with 43 CFR 4.275 (a) (16) (Departmental Order No. 2238 of August 16, 1946, 11 F. R. 9080) it is ordered as follows:

The lands hereinafter described, having been withdrawn for Power Site Reserve No. 261 and Power Project No. 284, are hereby opened to disposition under the public land laws, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1063), as amended by the act of August 26, 1935 (49 Stat. 846, 16 U. S. C. 818)

Effective immediately, the lands affected by this order shall be subject to application by the State of California for rights-of-way for public highways or as a source of material for the construction and maintenance of such highways, under applicable laws and regulations contained in §§ 244.42-244.46 of Title 43 of the Code of Federal Regulations (Circular No. 1237b, May 31, 1943, 8 F. R. 7717) as provided by the act of Congress approved May 28, 1948, Public Law 559, 80th Congress.

This order shall not otherwise become effective to change the status of such lands until 10:00 a. m. on September 14, 1948. At that time the lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-day period for preference-right filings.* For a period of 90 days from September 14, 1948, to December 14, 1948, inclusive, the public lands affected by this order shall be subject to (1) application under the homestead or the desert land laws, or the small tract act of June 1, 1938 (52 Stat. 609, 43 U. S. C. sec. 682a) as amended, by qualified veterans of World War II, for whose service recognition is granted by the act of September 27, 1944 (58 Stat. 747, 43 U. S. C. secs. 279-283) subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications by such veterans shall be subject to claims of the classes described in subdivision (2)

(b) *Twenty-day advance period for simultaneous preference-right filings.* For a period of 20 days from August 25, 1948, to September 13, 1948, inclusive, such veterans and persons claiming preference rights superior to those of such veterans, may present their application, and all such applications, together with those presented at 10:00 a. m. on September 14, 1948 shall be treated as simultaneously filed.

(c) *Date for non-preference right filings authorized by the public-land laws.* Commencing at 10:00 a. m. on December 15, 1948, any of the lands remaining unappropriated shall become subject to such application, petition, location, or selection by the public generally as may be authorized by the public-land laws.

(d) *Twenty-day advance period for simultaneous non-preference right filings.* Applications by the general public may be presented during the 20-day period from November 25, 1948, to December 14, 1948, inclusive, and all such applications, together with those presented at 10:00 a. m. on December 15, 1948, shall be treated as simultaneously filed.

Veterans shall accompany their applications with certified copies of their certificates of discharge, or other satisfactory evidence of their military or naval service. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated affidavits in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the District Land Office at Sacramento, California, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations (Circular No. 324, May 22, 1914, 43 L. D. 254) and Part 296 of that title, to the extent that such regulations are applicable. Appli-

cations under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations and applications under the desert land laws and the small tract act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of that title.

Inquiries concerning these lands shall be addressed to the Acting Manager, District Land Office, Sacramento, California.

The lands affected by this order are described as follows:

MOUNT DIABLO MERIDIAN

T. 6 N., R. 13 E., sec. 1, lots 3 and 4, SW¼ NW¼, SE¼SW¼, and SE¼.

The areas described aggregate 301.08 acres.

Available data indicate these lands to be hilly and mountainous in character.

MARION CLAWSON,
Director

[F. R. Doc. 48-6780; Filed, July 28, 1948;
8:57 a. m.]

[Misc. 1661727]

NEVADA

MODIFYING GRAZING DISTRICT NO. 5

Under and pursuant to the authority vested in me by the provisions of the Act of June 28, 1934 (48 Stat. 1269, 43 U. S. C. 315 et seq.) as amended, commonly known as the Taylor Grazing Act, and subject to the limitations and conditions therein contained, the following described lands are hereby added to Nevada Grazing District No. 5:

MOUNT DIABLO MERIDIAN

T. 2 N., R. 54 E., partly unsurveyed, Secs. 10, 11, and 12, those parts in Lincoln County.

The areas described include approximately 960 acres.

The Federal Range Code for Grazing Districts (43 CFR, Cum. Supp., Part 161) as amended, shall be effective as to the lands embraced herein from and after the date of publication of this order in the FEDERAL REGISTER, except that the lands embraced herein shall not be subject to § 161.8, paragraphs (b) (c) (d) (e) until one year from the date of such publication.

OSCAR L. CHAPMAN,
Acting Secretary of the Interior

JULY 19, 1948.

[F. R. Doc. 48-6774; Filed, July 28, 1948;
8:56 a. m.]

Bureau of Reclamation

[No. 2]

RAPID VALLEY PROJECT, SOUTH DAKOTA
ANNOUNCEMENT OF ANNUAL WATER RENTAL
CHARGES

MAY 19, 1948.

1. *Water rental.* Pursuant to article 13 of the contract of July 27, 1943, among

the United States of America, Rapid City, South Dakota, and the Rapid Valley Conservancy District, water will be released for delivery to the District when available, in accordance with requests by the Rapid Valley Conservancy District, made at least twenty-four (24) hours in advance of such time as delivery is needed by the District, acting through a person designated in writing for that purpose.

2. *Charges and terms of payment.* The rental charges shall be \$1.00 per acre-foot for each acre-foot released to the District. These charges shall be payable by the District to the United States on May 1 of the year succeeding release for delivery.

Pursuant to article 17 of the contract, the District shall pay to the municipality of Rapid City, South Dakota, one-eighth (1/8) of fifty-three and one-third (53 1/3) percent of the operation and maintenance charges (\$300.00) as noticed in letter of December 5, 1946, for each 1,000 acre-feet of water or fraction thereof released for delivery to the District from its share of the stored waters during water year 1948.

3. *Delivery of water* Water will be delivered and measured by Governmental personnel at the outlet works of Deerfield Dam.

4. *Penalties.* On all payments not made on or before the due dates, there shall be added on the following day a penalty of one-half of one percent of the amount unpaid and a like penalty of one-half of one percent of the amount unpaid on the first day of each calendar month thereafter so long as such default shall continue.

5. Applications for water release shall be received by the gate tender at Deerfield Dam and payments to the United States will be received at the Bureau of Reclamation, Missouri-Oahe District Office, Huron, South Dakota.

(Act of August 11, 1939, 53 Stat. 1418, as amended or supplemented)

K. F. VERNON,
Regional Director

[F. R. Doc. 48-6771; Filed, July 28, 1948;
8:55 a. m.]

[No. 3]

RAPID VALLEY PROJECT, SOUTH DAKOTA
NOTICE OF APPROVED RATES AND TERMS FOR
RENTAL OF SURPLUS WATER

MAY 19, 1948.

1. Pursuant to Article 18 of the contract of July 27, 1943, the following rates and terms are approved for temporary rental of surplus water to the district by the municipality for the calendar year 1948:

a. Construction charge component—\$1.30 per acre-foot.

b. Operation and maintenance charge component—\$0.30 per acre-foot.

c. Payment for such surplus water delivered is to be made by the District to the municipality prior to December 31, 1948.

2. *Delivery of water.* Water will be delivered and measured by Governmental personnel at the outlet works of Deerfield Dam.

(Act of August 11, 1939, 53 Stat. 1418, as amended or supplemented)

K. F. VERNON,
Regional Director.

[F. R. Doc. 48-6772; Filed, July 28, 1948;
8:55 a. m.]

CIVIL AERONAUTICS BOARD

[Dockets Nos. 3283, 3298]

COMPLAINTS OF AIR LINE PILOTS ASSN.
AND INTERNATIONAL ASSN. OF MACHIN-
ISTS AGAINST NATIONAL AIRLINES, INC.

NOTICE OF POSTPONEMENT OF ORAL ARGUMENT

In the matter of the complaints of the International Association of Machinists and the Air Line Pilots' Association against National Airlines, Inc.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 401 (h) and 1001 of the said act, that oral argument on the motions of National Airlines, Inc., to dismiss the above-entitled complaints, originally assigned to be held on July 29, 1948, is postponed to August 12, 1948, at 10:00 a. m. (eastern daylight saving time) in Room 5042, Commerce Building, 14th and Constitution Avenue, N. W., Washington, D. C., before the Board.

Dated at Washington D. C., July 26, 1948.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 48-6832; Filed, July 28, 1948;
8:52 a. m.]

[Docket No. 3409]

ARIZONA AIRWAYS, INC.

MAIL RATE; NOTICE OF HEARING

In the matter of the compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith of Arizona Airways, Inc.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that a public hearing in the above-entitled matter is assigned to be held on July 30, 1948, at 10:00 a. m. (eastern daylight saving time) in Wing "C" Room 131, Temporary Building No. 5, 16th Street and Constitution Avenue, NW., Washington, D. C., before Examiner R. Vernon Radcliffe.

Dated at Washington, D. C., July 23, 1948.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 48-6811; Filed, July 28, 1948;
8:49 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-1047]

UNITED NATURAL GAS CO.

NOTICE OF FINDINGS AND ORDER ISSUING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

JULY 23, 1948.

Notice is hereby given that, on July 21, 1948, the Federal Power Commission issued its findings and order entered July 20, 1948, issuing certificate of public convenience and necessity in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 48-6764; Filed, July 28, 1948;
8:54 a. m.]

[Docket No. G-1077]

EGYPTIAN NATURAL GAS CO.

NOTICE OF APPLICATION

JULY 22, 1948.

Notice is hereby given that on July 12, 1948, an application was filed with the Federal Power Commission by the Egyptian Natural Gas Company (Applicant) an Illinois corporation having its principal place of business at Salem, Illinois, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of a natural gas pipeline extending from a point near Norris City, Illinois, on the present transmission pipeline system of the Texas Eastern Transmission Corporation, to points near Centralia and Salem, Illinois, together with the necessary appurtenant facilities. The facilities referred to consist principally of 80 miles of 8-inch and 6-inch seamless steel pipe, and metering and regulating stations.

Applicant proposes to supply natural gas to existing and proposed gas utilities and municipalities in Illinois, which municipalities include Mt. Vernon, Centralia, Salem, Norris, Dix, McLeansboro and Dalgreen.

The estimated cost of the project approximates \$1,000,000, which Applicant proposes to finance by a loan from the Reconstruction Finance Corporation and the issuance of 4% interest-bearing bonds secured by a mortgage on the facilities.

Applicant submits that for the first five years of operation of its project, the gross anticipated revenue with the line operating at 25 percent capacity (5,000,000 cubic feet of gas per day), would approximate \$750,000 per year.

Any interested State commission is requested to notify the Federal Power Commission whether the application should be considered under the cooperative provisions of § 1.37 of the Commission's rules of practice and procedure and, if so, to advise the Federal Power Commission as to the nature of its interest in the matter and whether it desires a conference, the creation of a board, or a joint or concurrent hearing, together with reasons for such request.

The application of Egyptian Natural Gas Company is on file with the Commission and open to public inspection. Any person desiring to be heard or to make any protest with reference to the application shall file with the Federal Power Commission, Washington 25, D. C., not later than 15 days from the date of publication of this notice in the FEDERAL REGISTER, a petition to intervene or protest. Such petition or protest shall conform to the requirements of § 1.8 or § 1.10, whichever is applicable, of the rules of practice and procedure.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 48-6763; Filed, July 23, 1948;
8:54 a. m.]

ST. JOSEPH LIGHT AND POWER CO.

NOTICE OF ORDER APPROVING AND DIRECTING DISPOSITION OF AMOUNTS CLASSIFIED IN ACCOUNT 100.5, ELECTRIC PLANT ACQUISITION ADJUSTMENTS, AND ACCOUNT 107, ELECTRIC PLANT ADJUSTMENTS

JULY 23, 1948.

Notice is hereby given that, on July 22, 1948, the Federal Power Commission issued its order entered July 20, 1948, approving and directing disposition of amounts classified in Account 100.5, Electric Plant Acquisition Adjustments, and Account 107, Electric Plant Adjustments, in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 48-6765; Filed, July 23, 1948;
8:54 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 7-1051]

ALLEGHENY CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1 par value, of Allegheny Corporation, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts

bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6781; Filed, July 28, 1948;
8:57 a. m.]

[File No. 7-1062]

AMERICAN LOCOMOTIVE CO.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1 par value, of American Locomotive Company, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6782; Filed, July 28, 1948;
8:57 a. m.]

[File No. 7-1063]

ARKANSAS NATURAL GAS CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its

office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Class "A" common stock, no par value, of Arkansas Natural Gas Corporation, a security listed and registered on the Boston Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6783; Filed, July 28, 1948;
8:58 a. m.]

[File No. 7-1064]

CANADIAN PACIFIC RAILWAY CO.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$25 par value, of Canadian Pacific Railway Company, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the

Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6784; Filed, July 28, 1948;
8:58 a. m.]

[File No. 7-1065]

EASTERN GAS AND FUEL ASSOCIATES

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, no par value, of Eastern Gas and Fuel Associates, a security listed and registered on the Boston Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6785; Filed, July 28, 1948;
8:58 a. m.]

[File No. 7-1067]

JONES AND LAUGHLIN STEEL CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948:

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, no par value, of Jones and Laughlin Steel Corporation, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6786; Filed, July 28, 1948;
8:58 a. m.]

[File No. 7-1068]

KAISER-FRAZER CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1 par value, of Kaiser-Frazer Corporation, a security listed and registered on the Detroit Stock Exchange, the Los Angeles Stock Exchange, the New York Curb Exchange, and the San Francisco Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the

Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6787; Filed, July 28, 1948;
8:58 a. m.]

[File No. 7-1069]

LOEW'S INC.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, no par value, of Loew's Incorporated, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6788; Filed, July 28, 1948;
8:58 a. m.]

[File No. 7-1070]

SCHENLEY DISTILLERS CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1.75 par value, of Schenley Distillers Corporation, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6789; Filed, July 23, 1948;
8:53 a. m.]

[File No. 7-1071]

STUDEBAKER CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1 par value, of Studebaker Corporation, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application

will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6790; Filed, July 28, 1948;
8:58 a. m.]

[File No. 7-1072]

SUNRAY OIL CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Pittsburgh Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1 par value, of Sunray Oil Corporation, a security listed and registered on the Los Angeles Stock Exchange, and the New York Curb Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 11, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6791; Filed, July 28, 1948;
8:59 a. m.]

[File No. 7-1073]

WILLYS-OVERLAND MOTORS, INC.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Boston Stock Exchange, pursuant to section 12 (f) (2) of the Securities

Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1 par value, of Willys-Overland Motors, Inc., a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 4, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6792; Filed, July 28, 1948;
9:00 a. m.]

[File No. 7-1074]

SUNRAY OIL CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 22d day of July A. D. 1948.

The Boston Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the common stock, \$1 par value, of the Sunray Oil Corporation, a security listed and registered on the Los Angeles Stock Exchange and the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to August 4, 1948, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this applica-

tion will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6793; Filed, July 28, 1948;
9:01 a. m.]

[File Nos. 54-25, 59-11, 59-17]

UNITED LIGHT & RAILWAYS CO. AND
AMERICAN LIGHT & TRACTION CO.

SUPPLEMENTAL ORDER APPROVING DISTRIBUTION AND TRANSFER OF COMMON STOCK

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C. on the 22d day of July A. D. 1948.

The Commission by order dated December 30, 1947, having approved the plan, designated as Application No. 31, as amended, filed, pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935 ("act"), by The United Light and Railways Company ("Railways") and American Light & Traction Company ("American"), registered holding companies, which provided, inter alia, for the distribution and transfer by Railways, quarterly during 1948, to its common stockholders, as dividends in kind, of shares of the common stock of American Light of the par value of \$25 per share at the rate of one share of such common stock of American Light for each 50 shares of common stock of Railways owned (together with cash in lieu of fractional shares) and said order of December 30, 1947, having recited, among other things, that the distribution and transfer by Railways to its common stockholders, as dividends in kind, of such common stock of American Light at the aforesaid rate are necessary or appropriate to effectuate the provisions of section 11 (b) of the act; and the Commission having in said order reserved jurisdiction, inter alia, to take such further action and to enter such further orders as may be deemed appropriate in connection with the plan, the transactions incident thereto and the consummation thereof, and as may be necessary to secure full compliance with the act; and

The Board of Directors of Railways having declared a dividend on the outstanding common stock of the company, payable July 27, 1948, to stockholders of record at the close of business on July 6, 1948, in shares of common stock of the par value of \$25 per share of American Light, at the rate of one share of such common stock of American Light for each 50 shares of the common stock of Railways outstanding on the record date (together with cash in lieu of fractional shares), such dividend having been declared pursuant to said section 11 (e) plan and the Commission's order entered December 30, 1947, approving the same; and

Railways having requested the Commission to issue a supplemental order

with respect to the said dividend distribution, conforming to the requirements of section 1808 (f) and supplement R of the Internal Revenue Code, as amended; and the Commission deeming it appropriate to grant such request:

It is hereby ordered and recited, That the distribution and transfer by Railways on July 27, 1948, to its common stockholders, as a dividend in kind, of 61,195 shares of common stock of American Light of the par value of \$25 per share (out of certificate No. NX 1469) all as contemplated by the amended plan and the Commission's order of December 30, 1947, approving said plan, are necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935, and are hereby authorized and approved.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 48-6794; Filed, July 28, 1948;
9:02 a. m.]

[File No. 812-558]

BANKERS SECURITIES CORP. AND ALBERT M.
GREENFIELD & CO.

NOTICE OF APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 21st day of July A. D. 1948.

Notice is hereby given that Bankers Securities Corporation ("Bankers") a registered investment company and Albert M. Greenfield & Co. ("Greenfield Company") a real estate brokerage company, both located at No. 1315 Walnut Street, Philadelphia 7, Pennsylvania, have jointly filed an application pursuant to section 6 (c) of the Investment Company Act of 1940 for an order of the Commission exempting from the provisions of section 17 (e) (1) of the act, the receipt by the Greenfield Company of a real estate commission in connection with the purchase by Bankers, of certain real estate located at the northwest corner of Thirteenth and Filbert Streets and Nos. 50-52-54 North Thirteenth Street, Philadelphia, Pennsylvania.

Bankers is a closed-end, non-diversified, management investment company and is registered under the Investment Company Act of 1940. Greenfield Company is a duly licensed real-estate broker under the laws of Pennsylvania. Greenfield Company is an affiliated person of Albert M. Greenfield who, in turn, is an affiliated person of Bankers.

One June 1, 1948, Greenfield Company negotiated an agreement for the purchase by Bankers of the several parcels of real estate hereinabove enumerated through the medium of a purchase of 9,490 shares of capital stock, being all the issued and outstanding capital stock, and of \$17,000 in principal amount of debentures being all of the outstanding debentures of the owning corporation, Essex Hotel Corporation, located at the northwest corner of Thirteenth and Filbert Streets, Philadelphia, Pennsylvania. For its services in negotiating the purchase of the said real estate, Bankers has

agreed to pay Greenfield Company a real estate commission of 5% of the gross sales price of \$625,587.29, or \$31,279.36, now being held in escrow pending the order of this Commission. The receipt by the Greenfield Company of such a real estate commission is prohibited by section 17 (e) (1) of the act unless an exemption therefrom is granted by the Commission pursuant to section 6 (c) of the act.

All interested persons are referred to said application which is on file at the Washington, D. C., office of this Commission for a more detailed statement of the matters of fact and law therein asserted.

Notice is further given that an order granting the application may be issued by the Commission at any time after August 4, 1948, unless prior thereto a hearing on the application is ordered by the Commission as provided in Rule N-5 of the rules and regulations promulgated under the act. Any interested person may, not later than August 2, 1948, at 5:30 p. m., eastern daylight saving time submit in writing to the Commission his views or any additional fact bearing upon the application or the desirability of a hearing thereon or request the Commission, in writing, that a hearing be held thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such request, and the issues of fact or law raised by the application which he desires to controvert.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 48-6785; Filed, July 28, 1948;
9:02 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616, E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 11545]

COMTE WOLDEMAR UKKULL AND BARON
HANS HEINZ VON WANGENHEIM

In re: Stock and certificates of deposit owned by Comte Woldemar Ukkull and Baron Hans Heinz von Wangenheim. F-63-8484-A-1, F-63-8514-D-1/2, F-28-12583-D-1, D-66-2274-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Comte Woldemar Ukkull and Baron Hans Heinz von Wangenheim, each of whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany),

2. That the property described as follows:

a. Seventy-two (72) shares of \$1 par value common capital stock of West

Indies Sugar Corporation, 60 East 42d Street, New York, New York, a corporation organized under the laws of the State of Delaware, evidenced by the certificates whose numbers are listed below, registered in the names of the persons listed below in the amounts set forth opposite said names, as follows:

Certificate No.	Name in which registered	Number of shares
16701	Comte Woldemar Ukkull.....	53
16702	Baron Hans Heinz von Wangenheim.	14

said certificates being presently in the custody of The National City Bank of New York, 55 Wall Street, New York, New York, in account number B 27865, together with all declared and unpaid dividends thereon, and

b. All rights in and under those certain certificates of deposit numbered NB870, NB872 and NB931 and issued by Central Hanover Bank & Trust Company, New York, New York, for Chicago Rapid Transit Company 6 1/2% first and refunding mortgage bonds, due 1944, said certificates of deposit being registered in the names of the persons listed below and representing bonds whose face values are set forth below opposite said names, as follows:

Certificate No.	Name in which registered	Face value of bond
NB870	Comte Woldemar Ukkull.....	\$1,000
NB872	Comte Woldemar Ukkull.....	1,000
NB931	Baron Hans Heinz von Wangenheim.	2,000

together with the bonds represented by said certificates of deposit and together with any and all rights in, to and under said bonds, including particularly but not limited to the right to all distributions of cash made or to be made with respect to same, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by the aforesaid nationals of a designated enemy country (Germany)

3. That the property described as follows: Twenty (20) shares of \$10 par value capital stock of Sterling Drug Inc., 170 Varick Street, New York 13, New York, a corporation organized under the laws of the State of Delaware, evidenced by certificate number 047852 registered in the name of Comte Woldemar Ukkull, together with all declared and unpaid dividends thereon and together with the right of exchange thereof for shares of \$5 par value common capital stock of said Sterling Drug Inc.,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Comte Woldemar Ukkull, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the

national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 48-6812; Filed, July 28, 1948; 8:50 a. m.]

[Vesting Order 11564]

EMIL OELTZE

In re: Certificates of deposit owned by Emil Oeltze, also known as Emile Oeltze F-28-23855-C-1, F-28-23855-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Emile Oeltze, also known as Emile Oeltze, whose last known address is Brandenburgstrasse 28, Berlin, Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows: Two (2) Uniform Certificates of Deposit representing 2 Kreuger and Toll Company 5% Secured Sinking Fund Debentures of \$500 face value each, said certificates numbered UNRD 4654/5, registered in the name of Emil Oeltze, together with any and all rights thereunder and thereto, including, but not limited to, the right to collect distribution payments thereon in the amounts of \$75.43 and \$43.80, respectively, maintained in a special account of the aforesaid trust company entitled Unclaimed Distributions, and the right to collect any future distribution payments thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Emil Oeltze, also known as Emile Oeltze, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a

national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 1, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6813; Filed, July 28, 1948; 8:50 a. m.]

[Vesting Order 11594]

ADELHEID FOERSTER

In re: Debt owing to Adelheid Foerster. F-28-28738-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Adelheid Foerster, whose last known address is (13A) Eichstaett, Bavaria, Staedt, Altersheim, Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows: That certain debt or other obligation owing to Adelheid Foerster by American Surety Company of New York, 80 John Street, New York 7, New York, in the amount of \$1,058.58, as of December 15, 1947, and any and all accruals thereto, evidenced by demand certificate of deposit numbered 737, issued by Chase National Bank of the City of New York, and presently in the possession of American Surety Company of New York, 80 John Street, New York 7, New York, and any and all rights to demand, enforce and collect the aforementioned debt or other obligation and any and all rights in, to and under the aforementioned demand certificate of deposit,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 2, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 48-6814; Filed, July 28, 1948; 8:50 a. m.]

[Vesting Order 11612]

AUGUSTA GEISLER

In re: Stock owned by Augusta Geisler. F-28-29006-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Augusta Geisler, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany),

2. That the property described as follows: One Hundred (100) shares of no par value common capital stock of Thompson-Starrett Company, Inc., 444 Madison Avenue, New York 22, New York, a corporation organized under the laws of the State of Delaware, evidenced by a certificate numbered C-27973, registered in the name of Augusta Geisler and presently in the custody of Elsa Geisler, c/o White & Williams, 1900 Land Title Building, Philadelphia 10, Pennsylvania, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used,

administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 9, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6815; Filed, July 28, 1948;
8:50 a. m.]

[Vesting Order 7188, Amdt.]

G. ERNEST OTTO ET AL.

In re: Real property, claim and promissory notes owned by G. Ernest Otto, Dorothea Otto and Mary Frances Otto. Vesting Order 7188, dated July 23, 1946, is hereby amended as follows and not otherwise:

By deleting from Exhibit B, attached hereto and by reference made a part thereof, the figure "332.22" set forth under Parcel 1, and substituting therefor the figure "322.22"

All other provisions of said Vesting Order 7188 and all actions taken by or on behalf of the Alien Property Custodian or the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on July 22, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6817; Filed, July 28, 1948;
8:50 a. m.]

[Vesting Order 10809, Amdt.]

TOKU SAWANOBORI

In re: Stock owned by Toku Sawanobori.

Vesting Order 10809, dated March 3, 1948, is hereby amended as follows and not otherwise:

1. By deleting from subparagraph 2 thereof the word "Germany" and substituting therefor the word "Japan" and

2. By deleting from subparagraph 3 thereof the word "Germany" and substituting therefor the word "Japan."

All other provisions of said Vesting Order 10809 and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on July 9, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6818; Filed, July 28, 1948;
8:50 a. m.]

[Return Order 153]

FRANCOIS C. P. HENROTEAU

Having considered the claim set forth below and having issued a determination allowing the claim which is incorporated by reference herein and filed herewith,

It is ordered, that the claimed property, described below and in the determination, including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, be returned after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention to Return Published, and Property

Francois C. P. Henroteau, 54 Quai Amercoeur, Liege, Belgium, Claim Nos. A-335, A-336; June 11, 1948 (13 F. R. 3192); Property described in Vesting Order No. 675 (8 F. R. 5029, April 17, 1943) relating to United States Letters Patent Nos. 2,191,555, and 2,277,516. This return shall not be deemed to include the rights of any licensees under the above patents.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on July 19, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 48-6820; Filed, July 28, 1948;
8:51 a. m.]

[Return Order 110, Amdt.]

NICHOLAS G. LOUMAKOS

Return Order No. 110, dated April 21, 1948, published in the FEDERAL REGISTER on April 28, 1948 (13 F. R. 2306), is hereby amended as follows and not otherwise:

By deleting under "Property" the following: "25 shares of common stock Great National Insurance Company \$10 par value registered in the name of the Attorney General, presently in custody of the Comptroller, Office of Alien Property, New York, New York," and substituting therefor "25 shares of common stock Great National Insurance Company \$10 par value in custody of Office of Alien Property, Washington, D. C."

Executed at Washington, D. C., on July 22, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 48-6821; Filed, July 23, 1948;
8:51 a. m.]

GEORGES VALENSI

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

quate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Georges Valensi, Paris, France; 3513, 12200 and 12239; Property described in Vesting Order No. 293 (7 F. R. 9336, November 26, 1942) relating to United States Patent Application Serial Nos. 251,004 (now United States Letters Patent No. 2,375,963); 394,834 (now United States Letters Patent No. 2,313,203); 391,226; property described in Vesting Order No. 658 (8 F. R. 5947, April 17, 1943) relating to United States Letters Patent Nos. 1,654,793; 1,738,963 and 1,825,034.

Executed at Washington, D. C., on July 23, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6822; Filed, July 23, 1948;
8:51 a. m.]

ARTHUR BEHREND

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property and Location

Arthur Behrend, Rockford, Ill., 11306; \$481.16 in the Treasury of the United States. Two United States Savings Bonds, Series "F," Nos. M557921F and M557923F, for the face amount of \$1,000.00 each, due September 1, 1935, presently in the custody of the Safekeeping Department, Federal Reserve Bank of New York.

Executed at Washington, D. C., on July 23, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 48-6823; Filed, July 23, 1948;
8:51 a. m.]

DR. ING. BERTOLD BUXBAUM

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Dr. Ing. Bertold Buxbaum, Berlin, Germany; 8340; Property described in Vesting Order No. 201 (8 F. R. 625, Jan. 16, 1943) relating to United States Letters Patent No. 2,151,535.

Executed at Washington, D. C., on
July 23, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6824; Filed, July 28, 1948;
8:51 a. m.]

[Vesting Order CE 452]

**COSTS AND EXPENSES INCURRED IN CERTAIN
ACTIONS OR PROCEEDINGS IN CERTAIN
COURTS OF CALIFORNIA, CONNECTICUT,
MICHIGAN, NEW JERSEY, NEW YORK, AND
PENNSYLVANIA**

Under the authority of the Trading
With the Enemy Act, as amended, Execu-
tive Order 9193, as amended, and Execu-
tive Order 9783, and pursuant to law,
after investigation, it having been found:

1. That each of the persons named in
Column 1 of Exhibit A, attached hereto
and by reference made a part hereof,
was a person within the designated
enemy country or the enemy-occupied
territory identified in Column 2 of said
Exhibit A opposite such person's name;

2. That it was in the interest of the
United States to take measures in con-
nection with representing each of said
persons in the court or administrative
action or proceeding identified in Col-
umn 3 of said Exhibit A opposite such
person's name, and such measures hav-
ing been taken;

3. That, in taking such measures in
each of such actions or proceedings, costs
and expenses were incurred in the
amount stated in Column 4 of said Ex-
hibit A opposite the action or proceeding
identified in Column 3 of said Exhibit A,

4. That each amount stated in Column
4 of said Exhibit A has been paid from
the property which each of said persons
obtained or was determined to have as a
result of the action or proceeding identi-
fied in Column 3 of said Exhibit A op-
posite such person's name and all of said
amounts are presently in the possession
of the Attorney General of the United
States.

Now, therefore, there is hereby vested
in the Attorney General of the United
States, to be used or otherwise dealt with
in the interest of and for the benefit of
the United States, the amounts stated in
Column 4 of said Exhibit A.

The term "designated enemy country"
as used herein shall have the meaning
prescribed in section 10 of Executive Or-
der 9193, as amended. The term "enemy-
occupied territory" as used herein shall
have the meaning prescribed in rules of
procedure, Office of Alien Property,
§ 501.6 (8 CFR, Cum. Supp., 503.6)

Executed at Washington, D. C., on
July 22, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

EXHIBIT A

Column 1 Name	Column 2 Country or territory	Column 3 Action or proceeding	Column 4 Sum vested
		<i>Item 1</i>	
Joseph Wolf.....	Austria.....	Estate of Gustav Wolf, deceased, Superior Court, State of California in and for County of Alameda.	\$9.00
		<i>Item 2</i>	
Rudolf Wolf.....	do.....	Same.....	0.00
		<i>Item 3</i>	
Hans Wolf.....	do.....	Same.....	0.00
		<i>Item 4</i>	
Theresa Wolf, also known as Teres Krepler.....	do.....	Same.....	0.00
		<i>Item 5</i>	
Anna Wolf.....	do.....	Same.....	0.00
		<i>Item 6</i>	
Leopoldini Wolf.....	do.....	Same.....	0.00
		<i>Item 7</i>	
Ignatz Lebovich.....	Hungary.....	Estate of Joseph A. Lebovich, deceased, Probate Court, District of Connecticut.	10.00
		<i>Item 8</i>	
Helen Lebovich.....	do.....	Same.....	10.00
		<i>Item 9</i>	
Jacob Lebovich.....	do.....	Same.....	292.00
		<i>Item 10</i>	
Ilona Nemeth.....	do.....	Estate of John Nemeth, deceased. Pro- bate Court, Wayne County, State of Michigan #332, 492.	21.00
		<i>Item 11</i>	
John Nemeth.....	do.....	Same.....	14.00
		<i>Item 12</i>	
Louis Nemeth.....	do.....	Same.....	14.00
		<i>Item 13</i>	
Imre Nemeth.....	do.....	Same.....	14.00
		<i>Item 14</i>	
Maria Barila Papalia.....	Italy.....	Estate of Pasquale Papalia, deceased, Orphans' Court, Bergen County, N. J.	23.00
		<i>Item 15</i>	
Carmela Riso.....	do.....	Same.....	7.00
		<i>Item 16</i>	
Vittoria Stellanto.....	do.....	Same.....	7.00
		<i>Item 17</i>	
Vincenza Caraleo.....	do.....	Same.....	7.00
		<i>Item 18</i>	
Vincenzo Papalia.....	do.....	Same.....	7.00
		<i>Item 19</i>	
Carmelo Papalia.....	do.....	Same.....	7.00
		<i>Item 20</i>	
Carmine Pignataro.....	do.....	Estate of Anthony Pignataro, deceased, Surrogate's Court, Bergen County, N. J.	59.00
		<i>Item 21</i>	
Tekla Bauer.....	Hungary.....	Estate of Stefan Wachtler, also known as Stephan Wachtler, deceased. Surro- gate's Court, Passaic County, Passaic, N. J.	70.00
		<i>Item 22</i>	
Vicente Madrigal.....	Philippine Islands.....	William J. Bennet, plaintiff, against Vi- cente Madrigal, defendant. Supreme Court, New York County, N. Y. Index No. 13071/42.	238.00
		<i>Item 23</i>	
Giuseppe Fonatana.....	Italy.....	Estate of Domenico Fontana, deceased, Surrogate's Court, New York County, N. Y. Index No. P-2427/1944.	63.00
		<i>Item 24</i>	
Siegfried Bastheim and his heirs.....	Poland.....	Estate of Gustave Bastheim, deceased. Orphans' Court, Allegheny County, State of Pennsylvania. #10520 of 1943.	2,797.00
		<i>Item 25</i>	
Gertrude Behrendt and her heirs.....	do.....	Same.....	1,481.00

[F. R. Doc. 48-6819; Filed, July 28, 1948; 8:50 a. m.]

[Vesting Order 11674]

FRIEDA BECKMANN BROOKMAN

In re: Interest in real property and a property insurance policy owned by Frieda Beckmann Brookman, also known as Frieda Beckmann Erockmann, and as Frida Brookman.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Frieda Beckmann Brookman, also known as Frieda Beckmann, Brookmann, and as Frida Brookman, whose last known address is Wiebusche Weg, Horn in Lippe, Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the real property described as follows:

a. An undivided one-half interest in real property situated in West Rockhill Township, County of Bucks, State of Pennsylvania, particularly described in Exhibit A, attached hereto and by reference made a part hereof, together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments arising from the ownership of such property.

b. All right, title and interest of the person named in subparagraph 1 hereof in and to Fire and Extended Coverage Insurance Policy No. 634070, issued by the Pennsylvania Mutual Fire Insurance Company, 17 East Gay, West Chester, Pennsylvania, in the amount of \$3,800, which policy expires June 8, 1950, and insures the property described in subparagraph 2-a hereof,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2-a hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries, and

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2-b hereof,

All such property so vested to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have

the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 22, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

EXHIBIT A

All that certain message and two tracts of land situate in West Rockhill Township, County of Bucks and State of Pennsylvania aforesaid, bounded and described as follows, to wit:

Tract No. 1, Beginning at a chestnut tree a corner in a line of the late Joseph Foltz's land, and by the same south fifteen and a quarter degrees east thirty perches to a stone for a corner; thence by land of the late Phillip Hartzell the two following courses and distances, viz: North eighty and three quarter degrees east thirty two perches and three tenths to a stone, and south twenty two degrees east thirty one perches and seven tenths to a stone for a corner in a line of Samuel Landis Land; thence by land of the same north eighty two degrees east ten perches and seven tenths to a stone in a public road; thence along said road and land of late John Kinsey north twenty two degrees west thirty one perches and seven tenths to a stone; thence by land of the said John Kinsey north eighty four degrees east six perches and three tenths to a stone; thence by land of the same south twenty two degrees east twenty five perches to a stone; thence by land of Abraham Drumbore north eighty four degrees east fourteen perches to a stone for a corner; thence by land of George Drumbore north twenty one degrees west fifty six perches to stones; thence by land of late Moses Frank south eighty seven degrees west fifty perches and two tenths to a stone; thence by land of late Joseph Foltz the two following courses and distances: South twenty one and a half degrees east nineteen perches and four tenths to a white oak stump, and south eighty eight and three quarter degrees west thirty three perches and three tenths to the place of beginning, containing twenty two acres one hundred and eighteen perches of land, strict measure.

Tract No. 2, beginning at stones, a corner of George Drumbore's land; thence by the same south twenty two degrees and a quarter east fifty six perches to stones for a corner in the line of the late Andrew Drumbore's land; thence along the same south fifty four degrees west fifteen perches to stones for a corner of said George Drumbore's land; thence along the same north twenty degrees and three quarters west sixty one perches and one half to stones a corner in the line of land late John Frederick's (dec); thence along the same north eighty six degrees and a half east fourteen perches to the place of beginning, containing five acres and fifteen perches of land, be the same more or less.

[F. R. Doc. 48-6316; Filed, July 23, 1948; 8:50 a. m.]

LOUISE MARY HARDY

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration

thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property and Location

Louise Mary Hardy, a/k/a Louise Hardy, New York, New York; 5533; \$4,527.24 in the Treasury of the United States. All right, title, interest and claim of any kind or character whatsoever of Louise Hardy in and to a trust created under the will of Katherine E. Carter, deceased; Trustee, Fidelity-Philadelphia Trust Company, Philadelphia, Pennsylvania.

Executed at Washington, D. C., on July 23, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 48-6325; Filed, July 23, 1948; 8:51 a. m.]

DANISH AUTOMATIC SUPPLY CO.

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Axel Jorgensen and Axel Alsted Nielsen, d/b/a Danish Automatic Supply Company, Aalborg, Denmark; 5267; Property described in Vesting Order No. 290 (7 F. R. 9333, Nov. 26, 1942) relating to United States Patent Application Serial No. 303,719 (now United States Letters Patent No. 2,371,260).

Executed at Washington, D. C., on July 23, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 48-6326; Filed, July 23, 1948; 8:51 a. m.]

EMIL A. KANN

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property and Location

Emil A. Kann, Flushing, Long Island, N. Y., 5530; \$2,000 in the Treasury of the United States representing all right, title, interest

NOTICES

and claim of any kind or character whatsoever of Sidonie Klein in and to the Estate of Madeleine Kann Benedek, deceased.

Executed at Washington, D. C., on July 23, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 48-6827; Filed, July 28, 1948;
8:51 a. m.]

[Vesting Order 11626]

HERMANN WITTE

In re: Bank account owned by Hermann Witte. F-28-25911-C-1, F-28-25911-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Hermann Witte, whose last known address is Wilhelmshaven, Kiel-

erstr. 8, Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows: That certain debt or other obligation owing to Hermann Witte, by Security-First National Bank of Los Angeles, 6th & Spring Streets, Los Angeles, 54, California, arising out of a savings account, account number 393833, entitled Hermann Witte, maintained at the Civic Center Branch Office of the aforesaid bank located at 110 South Spring Street, Los Angeles 12, California, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the

national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on July 9, 1948.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 48-6737; Filed, July 27, 1948;
8:50 a. m.]